SECRETS TO EBOOK PUBLISHING SUCCESS

How to Reach More Readers

MARK COKER

The Secrets to Ebook Publishing Success

How to Reach More Readers with Your Words

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Also by Mark Coker, available at ebook retailers everywhere:

Smashwords Style Guide *(how to format and publish an ebook)*

Smashwords Book Marketing Guide *(how to market any book for free)*

The 10-Minute PR Checklist *(PR strategy for entrepreneurs)*

Boob Tube *(a novel about soap operas)*

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Preface

The Secrets to Ebook Publishing Success is dedicated to you, the writer. Authorship requires great courage, creativity, sacrifice and perseverance. You inspire me.

This book reveals the ebook publishing best practices of the most commercially successful authors at Smashwords.

If you're not familiar with Smashwords, a brief introduction is in order. Smashwords is the largest distributor of indie (a.k.a. "self-published") ebooks. We distribute ebooks to online retailers such as the Apple iBookstore (51 countries), Barnes & Noble, Sony, Diesel, Kobo (multiple countries), Flipkart (India's largest online bookseller), Oyster, Scribd, Baker & Taylor (the Blio platform and Axis360 library service), Page Foundry and many others. In six years, we've helped over 80,000 authors around the world publish and distribute more than 250,000 ebooks.

Although the secrets herein were inspired by the most successful Smashwords authors, this book is not about Smashwords. These best practices contained herein are universal for all authors, publishers and literary agents. Even if you don't yet work with Smashwords, or you only publish in print, these secrets will help you reach more readers with your words.

The genesis for this ebook dates back to October, 2010 when I gave a series of nine presentations over a six-week period titled, *The Seven Secrets of Ebook Publishing Success*. I presented the talk at self-publishing conferences and seminars in New York, Brazil, Australia and New Zealand. In the months since, I have delivered modified versions of the presentation before thousands of writers. It quickly grew beyond seven secrets.

At first, some of these secrets might strike you as common sense. Read on, though, and you'll find deeper meanings. I share not only *what* you should do, but also the strategic thinking behind *why* you should do it. This context helps you apply these best practices with greater conviction and impact.

This is a living ebook. I will continue to update it over time as I discover new best practices inspired by Smashwords authors. I welcome your suggestions and feedback.

Enjoy!

Mark Coker

Founder

Smashwords

www.smashwords.com

Twitter: @markcoker

P.S. If you're new to e-publishing, I've included a helpful *Glossary of Ebook Publishing Terminology* in the Appendix. Please refer to it if you run across terminology you don't understand.

P.P.S. I invite you to freely copy and share this ebook with anyone, provided you do not charge for it or alter the contents. Learn how you can republish this ebook on your blog (in excerpts or in full) at no cost in Appendix IV.

Introduction

Indie Authors Rewrite the Rules of Publishing

Back in the old days of publishing (four or five years ago), many writers viewed self-publishing as the option of last resort. Self-pubbed authors were the black sheep of the writing community. They were considered failed authors because they couldn't find an agent or sell their book to a big publisher. They were ridiculed as "vanity" authors. Sadly, much of the most vitriolic criticism came from fellow writers.

We don't hear much of that anymore. Self-publishing is finally earning the respect it deserves. High-profile indie author successes – utilizing the best practices contained herein – are climbing the bestseller charts. Their commercial success is changing perceptions about self-publishing one reader at a time.

Look no further than the bestseller lists at major retailers to see how the indie insurgents are scaling the lists. Many Smashwords authors have landed in the top 10 bestseller lists of major ebook retailers, and many more have topped genre-specific lists at #1. A few have even landed in the New York Times ebook bestseller list.

Indie bestsellers are destined to become the norm in the months and years ahead. Don't misunderstand, I'm not implying it's easy to become a bestseller. It's difficult, and rare. To get there you'll need talent, smart decision-making, hard work, patience, and luck.

Even authors previously published by big New York publishers are starting to go independent. These authors are questioning what Big Publishers can do for them that the authors cannot do for themselves. It's only a matter of time before authors begin speaking of the stigma of traditional publishing. Indie authors have the ability to publish faster, distribute more broadly, price lower, sell more books at higher royalty levels, enjoy full creative control, reach more readers and earn more income than they can by surrendering their rights to a traditional publisher.

If the indie author movement was a person, 2011 was the year the movement entered adolescence and 2013 is the year the movement reached adulthood. These newly-minted indie ebook authors (old timers are the ones with three or four years of experience with self-publishing) are experimenting with abandon. Through trial and error, experimentation, and rapid information exchange with fellow authors, indie authors are pioneering the secrets of successful modern-day publishing.

We're witnessing the rise of the indie author collective. The collective – warts and all – gives rise to an intelligence and sophistication that will redefine publishing for the better.

In *The Secrets of Successful Ebook Publishing*, I attempt to capture and distill the proven best practices of authors who are reaching the most readers with their books.

My hope is that these secrets will spark your imagination as you work to become a more professional, more successful indie author.

Five Big Trends Facing the Future of Publishing

The publishing world is in flux as multiple trends converge to challenge old rules and create new ones.

Here are the five most important trends facing publishing today:

1. Bookselling is moving online as brick and mortar bookstores disappear.
2. Reading is moving to screens as ebooks replace print books.
3. New publishing and distribution tools empower authors to become professional publishers while eroding the monopolistic edge once held by large publishers.
4. Digital distribution enables authors and publishers to efficiently reach a global market.
5. An over-supply of books and alternative media content will place downward pressure on ebook prices.

These trends create an environment where indie authors and small publishers can out-publish and out-compete the larger New York publishers.

A mere five years ago, publishers controlled the printing press and access to retail distribution. Today, thanks to free ebook publishing and distribution tools such as Smashwords, the ebook printing press is free and available to

any author.

Distribution has become democratized, and global, thanks to the foresight of retailers such as the Apple iBookstore, Barnes & Noble, Sony, Kobo, Flipkart, Diesel, and Amazon. These retailers are hungry to carry the ebooks of indie authors. They want indie ebooks because these books satisfy their customers and sell well. Retailers also understand that readers couldn't care less about the name of the publisher on the book's virtual spine. Readers simply want great books.

The implications of this revolution are profound. Writers are now in charge. Readers are the new curators.

You, the writer, decide when your manuscript graduates to published book. You are your own gatekeeper. You will bypass the traditional industry gatekeepers and publish directly to your readers around the globe.

Along with this power shift also comes the responsibility of authors to honor the best practices of the best traditional publishers. You must publish a quality, professional book that is as good as, or better than, what's published by traditional publishers. Readers have little tolerance for anything less, which is how it should be.

We live in an age of media abundance. Consumers have unlimited access to myriad high-quality sources of entertainment and knowledge. Much of this content is available for free. Yet despite the prevalence of free content options, readers will still purchase your book because your book is unique.

Darwin is in charge. This is a game of survival of the fittest. Writers who honor readers by publishing great books will reach the most readers.

The Secrets to Ebook Publishing Success will help you up your game, even if you're already a successful author.

Before we get started, a simple reminder: It's tough to sell any book, even a great book. Keep your sales expectations low, then work to exceed them. Focus on the long term. Successful indie authors must do many things well while avoiding mistakes that can undermine their opportunity.

Secret One

Write a Great Book

"Write a great book" might strike you as common sense, but it's the most common mistake authors make. Some indie authors – intoxicated by the freedom to self-publish –rush their book to market before it's ready to be seen by readers.

Is your book ready? By considering this difficult question, you'll find the path to a better book revealed.

With the power to publish comes the responsibility to emulate the best practices of the most professional authors and publishers.

If your book is poorly-conceived or poorly-edited, readers will reject it. If you write a great book that satisfies readers, they will reward you with their word of mouth.

Honor your readers with a great read.

Readers value their time more than the money in their wallet or purse. Book marketing has always been a word-of-mouth business. Your readers will market your book for you if the book touches their soul, or inspires mad passion.

Ninety percent of your book's success will be determined by the quality of your book. The other ten percent is distribution, marketing and luck.

If you remember nothing else from this book, remember this: The very most important marketing you can do is to write a great book that markets itself on the wings of reader word of mouth. If your book makes readers say "WOW!" then they won't just recommend your book to their friends, they'll *command* their friends to read it. "Pretty good" isn't good enough if you want to spark word of mouth.

Smashwords author Sarah Burleton, who spent over 12 weeks on the New York Times ebook bestseller list in 2011 with her ebook, *Why Me?*, told me

she did no marketing for her book. The book took off at Amazon and Barnes & Noble thanks to reader word of mouth. It's not the first time I've seen books break out with little to no marketing.

Be fanatical about quality. Revise, revise, revise. Hire a professional editor if necessary, but only if you can afford it. If you can't afford a professional editor, seek out other free alternatives, like bartering editing with your fellow writers. Join a critique group. Utilize **beta readers**. Beta readers are test readers (see the Glossary at the end of the book for more on beta readers). Seek out critical, dispassionate feedback from beta readers, preferably from strangers rather than friends and family. It's difficult to obtain honest critical feedback from friends and family because they'll be awestruck that you wrote a book, and they won't want to hurt your feelings.

The Secrets to Ebook Publishing Success won't tell you how to write a great book, but it will give you tips on how to maximize its commercial success.

Secret Two

Pinch Your Pennies

Successful ebook authors approach publishing as a business.

Profit is the sustaining lifeblood of any business. Profit means you get more out of it than you put in. You might measure your profit in terms of emotional satisfaction, or you may measure it in the traditional form of cold hard cash.

Profit builds cash and provides an author the financial freedom to continue writing. If you never run out of cash, you'll never go out of business.

The formula for profitability is deceptively simple:

Profit** = **Sales** minus **Expenses

***Sales** = Your income per book sold multiplied by the number of units sold*

***Expenses** = The cash you spend to produce, publish, distribute, market, sell and manage your book, plus the value of your time**

*I'll address time management in Secret #8 of this book.

Take another look at the formula above. You want to **maximize Sales** and **minimize Expenses**. Simple.

Now, a reality check: Just as most new businesses fail; most authors will fail to become commercial successes because most books don't sell well. Even if you carefully implement all the best practices advocated in the *Secrets to Ebook Publishing Success*, your book is unlikely to sell as well as you expect, or as quickly as you expect, or as well as you think it deserves.

It might take months or years for your book to take off. Or, it might never take

off. Ultimately, you'll put your best foot forward and then readers will decide if your book goes on to become a hit. It's difficult to control or predict consumer behavior. Readers are a fickle bunch. Later in the book, I'll share tips on how to make your book more appealing to readers.

However, you do have the power to manage your expenses. If you keep your expenses low and you manage your time, then the opportunity to build a sustainable, profitable business is within your reach.

Here's how to manage your expenses:

1. **NEVER spend or invest money you need for food and shelter** - Instead, pinch your pennies, and learn to invest your time. Your time is valuable, but it's under your control and you have 24 hours of it to spend as you choose every day.
2. **NEVER NEVER** borrow money to publish a book – Never go into financial debt to support your book. Debt is evil because it steals your future freedom. It's not uncommon for authors to spend thousands of dollars in book publicity or book printing that they never earn back. If you can't afford to lose it, don't spend it.
3. **NEVER purchase expensive "publishing packages" –** There's a gold rush going on now in self-publishing. Like the California gold rush in the 1800s, the people who earned the most money were those who sold the pots, pans and liquor to the star-struck gold miners. The same thing is happening today. Hundreds of parasitic companies are springing up to take your money. Don't give it to them. Author Solutions, which operates an array of publishing service brands such as AuthorHouse, iUniverse, BookTango, Trafford, Xlibris, Archway and others, is one of the most notorious firms. Some of their services cost more than $15,000. These services are criminal in my opinion. They're in the business of selling over-priced services to authors. They're not in the business of helping authors sell books. They prey upon novice writers who don't know better. Blogger Emily Suess has done a great job of exposing the unethical business practices of Author Solutions on her blog at http://blog.emilysuess.com/tag/author-solutions/ Ebook self-publishing can be fast, free and easy if you do it yourself.

   To be clear, I'm not opposed to writers hiring professionals if they can afford them, but here are some tips on how to protect yourself: **1.** Work directly with individual providing the services (formatting, cover design, editing, marketing, etc.), rather than through an intermediary like Author Solutions which will mark up the fees dramatically. **2.** If it's an expensive service (over $300), ask for references. If you're going to pay $10,000 for a professional editing job, you should expect it's from an editor with a track record of producing New York Times

bestsellers in your genre. If the job is being farmed out to an author services mill in the Philippines, which is where Author Solutions maintains most of its employees, you have a right to know. **3.** If the firm is using hard-sell tactics and calling you on the phone, end the relationship. **4.** Even if an editor has worked for the biggest publishers and has put 20 books on the New York Times bestseller list, think long and hard before you shell out the money. Remember that it's difficult to recoup expenses because most books don't sell well.

4. **Bootstrap your publishing business –** Invest sweat equity first. Use your head before you use your wallet. Nearly every one of the secrets in this book can be implemented at no cost other than the investment of your time and effort.

5. **Wait for the cash to come in before you start spending it –** If after you release your book it starts selling well and generating a profit, then that's the time to consider reinvesting a portion of the profits back into the book, possibly in the form of an upgraded cover, new marketing, or hiring an editor to assist with a revised edition.

6. **Utilize Pareto's Principle to prioritize resource allocation** – All businesses are resource constrained. This is especially true for indie authors. There are hundreds of steps you can take to reach more readers. You'll find many of those steps here in this ebook. You cannot do everything at once. Focus your time on those activities that will give you the most benefit for the least amount of cost and effort. Remember, your time has value too! Incorporate Pareto's Principle into your decision-making. Pareto's Principle, also known as the 80/20 rule, offers a powerful conceptual framework for business decision-making. Focus your efforts on the 20% of activities that will get you 80% of the benefit. At Smashwords, Pareto's Principle is almost a religion to us, though we take it several steps further. For example, we have a roadmap that calls for over 1,000 new features and service enhancements. Every day, we ask ourselves, what single improvement can we make today or this week that will yield the greatest aggregate benefit for our authors? As I advise in the *Smashwords Book Marketing Guide*, do the quickest, easiest things first, especially if they'll yield lasting results. For example, as I mention in the *Smashwords Book Marketing Guide*, it takes five minutes to create a great email signature that will yield lasting benefits. It takes five minutes to create smart Google Alerts that will help you identify new marketing opportunities. Learn more about Pareto's Principle here: http://en.wikipedia.org/wiki/Pareto_principle

7. **Barter –** If you can't afford to pay for a service out of pocket, pay with your time and talent. Every one of us has talent. Do you need to hire an

editor for your book? If you can't afford a professional editor, find another way to compensate your service providers. It might be as simple as offering to edit other writer's books if they'll edit yours. Offer to proof other writers' books if they'll proof your book (you'll be surprised how many embarrassing typos an independent set of eyes will discover). Maybe you have another skill that would be useful to your service provider. Maybe your skill is marketing or web design. If you're a lawyer, offer legal services. If you're a fantastic chef, offer to cook for them. Offer to mow their lawn if necessary. Think outside the box.

Remember, it's not necessary to spend a lot of money to produce, publish, distribute and promote your book.

Secret Three

Create a Great Ebook Cover

If a picture is worth a thousand words, a great ebook cover is worth 100,000 words.

Your cover is the first impression you make on a prospective reader. It's the visual embodiment of everything your book represents. Great covers, through their imagery alone, can communicate genre, topic, mood and setting. A great cover image makes a promise to prospective readers. It helps them recognize your book as one they'll enjoy reading.

At a glance, the reader will gain an instant sense for whether or not you're a professional.

Even after the reader has purchased a book, a good cover adds to the reader's enjoyment. Customers might click on the cover image to view it full-screen so they can enjoy the artistry, and to add deeper meaning to the book as they read it.

Characteristics of a good ebook cover image include:

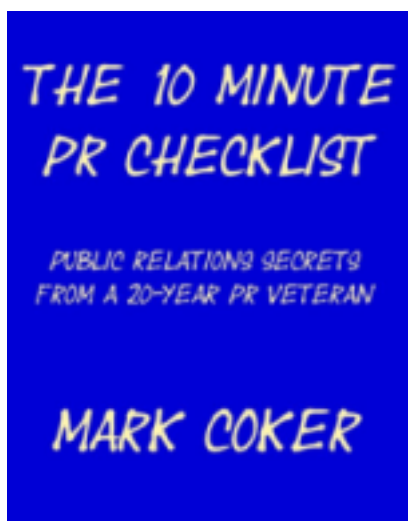
1. **Genre- or topic-appropriate** – At a glance, the reader should have a sense of your genre or topic. Is it romance, a thriller, a mystery, a cookbook, or is it a self-help book?
2. **Great covers are aspirational** – A romance cover promises the reader romance, a chance to experience the feelings of first love again. A horror novel promises to scare readers. A thriller promises to keep readers on the edge of their seats.
3. **The image says it all** – The image on the cover is more important than the title or author name.
4. **Smart use of color** – Color lights up our senses. It catches the eye and helps convey a message. It brings realism to an image and what that

image represents.

5. **Looks good in thumbnail size** – Unlike print book covers which are meant to be viewed up close or from across the room, ebook cover images are usually displayed as small thumbnail images. The best ebook images use fewer words and simpler, larger imagery so they deliver their message even as a thumbnail. The title and author name should be readable in thumbnail size.
6. **Looks good in black & white or greyscale** – Even if your image is in color, keep in mind that millions of ebook devices don't support color, so test your cover image in greyscale mode and make sure it looks good.

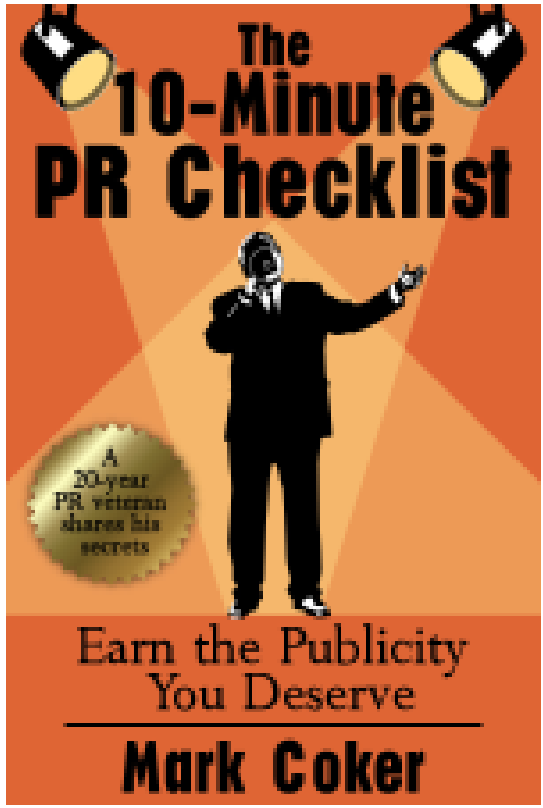
My Misadventure in Cover Design

In April, 2011, I completed a short ebook titled, *The 10-Minute PR Checklist*. As an experiment, I tried designing my own ebook cover, the result of which you see below. It's horrible, and sadly, it's better than some indie ebook covers.



After embarrassing myself with the cover image above, I decided to follow my own advice and hire a cover designer off of my list (list@smashwords.com). I emailed the designer a short description of my rough concept for a cover image. Since the book is about public relations, I told her I envisioned the cover showing a person holding a megaphone illuminated under a spotlight. I wanted a shiny award sticker-looking graphic that called out my 20 years' experience in the field of public relations. And that was it. I never picked up the phone. The next day, the cover image below

arrived in my email box. It cost me only $45.00.



She realized my vision more effectively than I imagined it myself. This is the sign of a good artist. Other than the value of my time to write and edit the book, $45.00 represents the sum total amount of money I invested to publish *The 10-Minute PR Checklist*. I have already earned my investment back many times over.

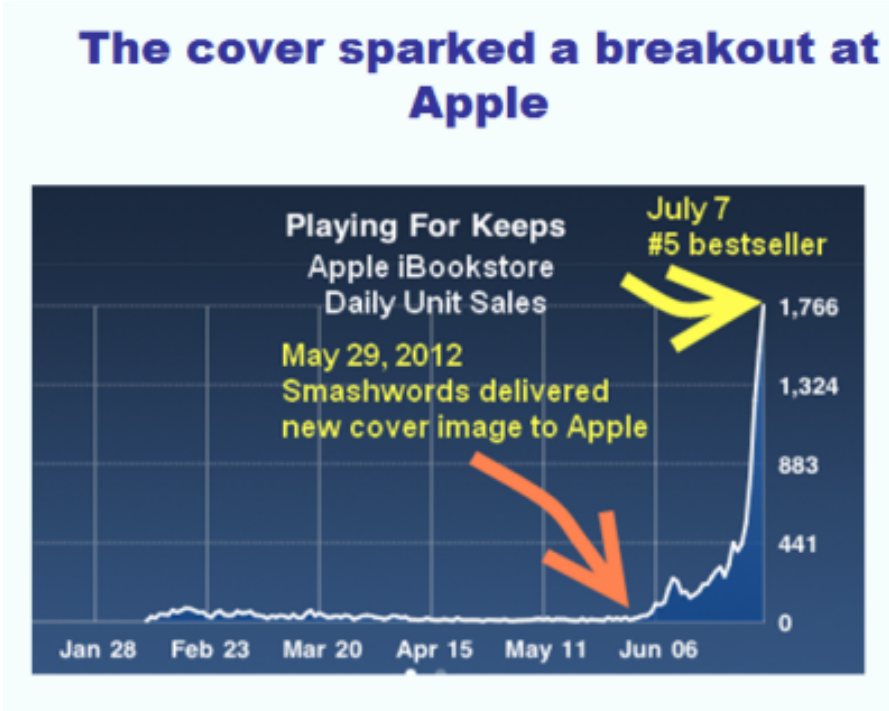
Case Study: How a Cover Update Launched a Bestseller

In May 2012, Smashwords romance author R.L. Mathewson was publishing eight books. The books were selling above average, five or so copies each day. Her books had been in full distribution for nearly 18 months, and she was getting great reviews from readers. But her books weren't breaking out.

She decided her covers weren't good enough. As she said in an interview at the Smashwords blog, "[they] were plain, two-shaded covers that looked more like pamphlets than anything."

Nothing about the cover communicated romance. Look what happened when she updated the cover...

On May 29, 2012, Smashwords delivered the new cover images to the Apple iBookstore. As you can see from the cover above, it makes a strong promise to the reader. The title and author name are less important than the image. If you're looking to experience a story about romance and intimacy, this is the book for you! The results were immediate.



The moment the new covers arrived, daily sales started increasing. Within a few days, she was selling over 100 copies a day, up from a mere five or six per day the week before. I sent an email to R.L. asking what happened (I didn't yet realize she had updated her cover). Before R.L. responded to me, a merchandising manager at Apple contacted me, and asked if I knew what was causing this author to break out. A big marketing push, perhaps? Then R.L. responded. It was the cover change.

The chart above illustrates a classic case of virality. Her cover made her book more desirable to readers, and this sparked a breakout, which was further fueled by tremendous word of mouth, and word of mouth propelled her higher and higher in the rankings, which increased her visibility even more. Underpinning this virality was a great book. Her books often earn fantastic "WOW" reviews from fans. In retrospect, her previous cover was holding her back.

A couple weeks later, Apple – impressed by her sales and reviews – decided to feature her in a promotion, and the book shot straight to the top 10 and sold over 1,000 copies a day for several days, pulling along with it her other seven titles, most of which remained in the top 40 for multiple weeks. Around the same time, her books broke out at other retailers. A couple weeks later, she landed in the New York Times bestseller list for fiction ebooks.

R.L.'s experience underscores the advantage of self-published ebooks. Ebooks are immortal. If they don't sell well at first, you can upgrade the book.

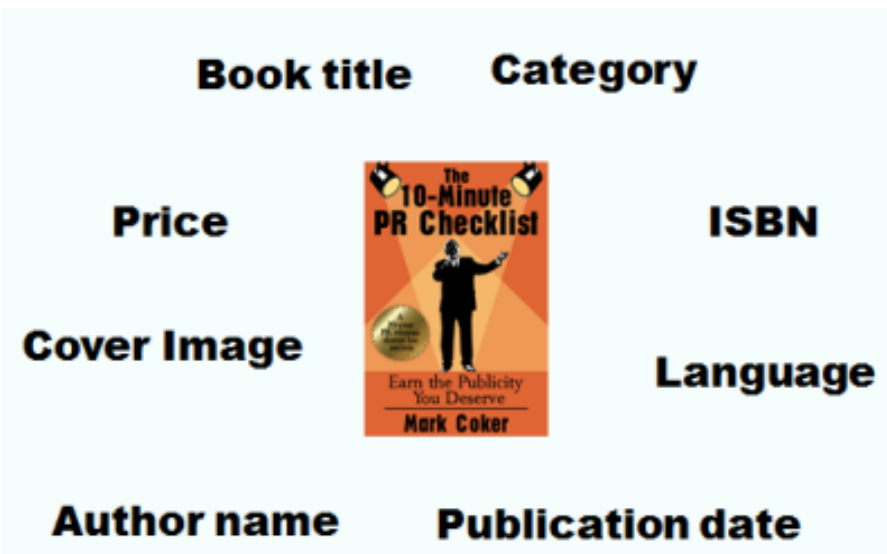
You can tweak anything about your book until you get the formula just right. I'll talk more about the myriad things you can do to increase sales in my discussion of Viral Catalysts in Secret #19.

Invest in a professional cover image. You don't have to break your bank to hire a professional. Next to the quality of your book, your ebook cover is your single most important marketing tool.

Secret Four

Practice Metadata Magic

You've probably heard the term metadata but might not know what it is. Metadata is very cool. Metadata is data about data, and in the ebook world metadata is data that describes your book. By making good use of metadata, you make your book more discoverable and accessible to readers.



The title of your book is an example of metadata. Your book description is metadata. Your price is metadata. Your book's category or genre is metadata. Virtually any piece of information that helps describe or identify your book is metadata.

Retailers integrate your metadata into their online stores so customers can find your book by genre, price range, language, sales rank (how your title is selling

compared to other titles in the store), or other factors.

Here's a summary of the most common examples of metadata, and best practices for each component of metadata:

- **Book title** – Your book title is your single most important piece of metadata. A good book title grabs the reader and reinforces the promise made by the cover image.
- **Author name** – Your author name is your brand, so choose carefully. For most authors, it's their real name, but for others it's a pseudonym or pen name. A good author name is simple to remember, and simple to spell. Your fans should be able to go to Google, or go to an ebook retailer, and spell your name without error. Avoid cutesy spelling, because this can make it difficult for readers to find you. Don't mix numerals in your name. For example, **N8 4cyth** is a cutesy way to spell **"Nate Forsyth,"** but your readers will have difficulty remembering how to spell it or search for it. Anything that makes discovery difficult for consumers makes your book less visible. Avoid initials, too. If your pen name is A.C. Smith, for example, and someone goes to a retailer and tries to search for AC Smith (no periods or spaces between initials), or A C Smith (no periods, but a space) or A. C. Smith (periods with space), the search result may come up empty. It's safe to expect that all search engines make terrible mind readers and are therefore easy to trip up.
- **Book description** – After the book title, this is probably the second most important piece of metadata. For ebooks, the book description is equivalent to the jacket copy of a print book. This is your chance to hook the reader with pithy marketing copy that motivates them to download a sample of your book, or better yet, purchase it on the spot. A good description is tailored to your target audience. The description also tells the reader something about your writing talent, or lack thereof. You'd be surprised how often authors upload book descriptions with spelling errors, missing punctuation, or grammatical errors. Nothing screams, "DON'T READ THIS BOOK" faster than typos in your book's description.

  For inspiration about the tips and tricks that work well for book descriptions, study the descriptions of the bestselling books in your genre. Look for commonalities in how the descriptions sell the story to readers. Are the sentences long or short? Does the description use active language, or passive? Does it include reader or reviewer quotes? Does it tell the reader, "If you like [well-known author X], you'll like this author." Does it use short or long paragraphs, or both? There's not any single form of book description that works best. Find

inspiration in what you like from the bestsellers' descriptions, then mix and match and experiment.

- **Category** – Every book falls into at least one category, and categories can have multiple levels, or subcategories, such as *Fiction: Romance: Paranormal*, or *Non-Fiction: Business and Economics: Public Relations*. When you apply a category to your ebook, it tells the retailer which virtual shelf to place your book on so that fans of that category can easily find your book listed there. Most ebook distributors and retailers support two or more categorizations. Pick the categories that best describe your target reader.
- **Cover Image** – Your cover image is considered a form of metadata since it's attached to your book and helps describe your book.
- **Tags** – Tags are supplemental words (also known as "keywords") or search phrases that go beyond your book categories. So, for example, let's say you wrote a thriller novel categorized under *Fiction: Thriller: Psychological*, yet the book takes place in Venice, Italy. You might add tags such as "Venice" and "Italy" so that if someone's looking for a fun read to bring on their vacation to Venice, your book is more discoverable. Note that not all retailers support tags. At Smashwords, we support tags in our own retail store, but we don't distribute the tags to our retailers (maybe someday!). To reduce the incidence of tag spam , we advise authors to limit their tags to no more than 10 keywords.
- **Price** – When your ebook travels from the distributor to the retailer, it will have a price attached to it. Most ebook distributors and retailers will allow you to set your own price. I'll address pricing strategies later in this book.
- **ISBN** – An ISBN is a unique 13-digit numerical identifier that allows distributors and retailers to track and manage your book. For example, the ISBN for The Smashwords Style Guide, the ebook formatting guide I wrote, is 978-1-4580-0113-9. We distribute the Smashwords Style Guide to all the major retailers. If I update the Style Guide's book description, we won't contact our retailers and tell them, "here's the updated description for the Smashwords Style Guide by Mark Coker." Instead, we'll tell them, "here's the updated description for 978-1-4580-0113-9." When the retailer reports sales data back to us (or download data since the Style Guide is free!), they'll attach the data to the ISBN. Your ebook ISBN should be unique and different from your print book ISBN. Some ebook stores, including the Apple iBookstore, Sony and Kobo, require ISBNs. Contrary to common misconception, ISBNs do not convey copyright, or protect copyright, or make your book look more professional. An ISBN is simply a unique number that never changes, even if the data about your book changes. For more on

ISBNs, and where to obtain them, see the glossary at the end of this book.

- **Language** – The language in which your book is written is part of the metadata. Retailers will use this information to make your book more discoverable to readers who want to read books in a particular language.
- **Publication date** – This piece of metadata is usually automatically generated based on when you uploaded your book. Look at any book at any online retailer and you'll see it includes the publication date.
- **Auto-generated metadata** – Most of the metadata mentioned above is created by you, the author. Metadata, since it's simply data about your book, can also be automatically generated. Some of this metadata is unique to a particular retailer. For example, your sales rank at Barnes & Noble is metadata. Data such as, "People who bought your book also bought this other book" is also metadata. The possibilities for metadata are virtually unlimited. In the years ahead we'll see new types of metadata that will help your book become more discoverable to your target readers.

Remember, metadata makes it possible for readers to find your book.

Secret Five

Write another Great Book

Most bestselling authors at Smashwords publish more than one book.

Each book gives you an opportunity to reach new readers and earn their trust. If you honor the readers with a great read in your first book, then they will seek out your other books for their next read.

At the end of each book, at that moment when the readers -are thrilled to have read your book, but sad that it's ended, ask them to leave a review at their favorite retailer.

Add a section titled, "Other books by this author," where you list your other books.

Also at the end of each book, provide free sample excerpts of your other books. If you write series, what better way to hook readers on the next book in the series than by letting them jump into the first few chapters right now?

When you add listings of your other books, be sure to include a hyperlink the reader can click to sample or purchase the next title. Many Smashwords authors, for example, add a hyperlink back to their Smashwords author page where readers can easily view their entire catalog, or sample and purchase their other works in multiple ebook formats. Or, add a link to your personal home page, which can list direct hyperlinks to multiple retailers.

Think of each book you release as a fish hook in the ocean. When you network them together with simple mentions and hyperlinks at the end, the fish hooks form a net. Each book becomes a subtle yet powerful advertisement for the others. Each gives you the opportunity to reach new readers.

Series writers are among the most successful at Smashwords. Once readers become emotionally invested in a series, and once they trust you're a talented writer, they'll want to read the complete series. If you write series, each book

should be full-length, anywhere from 70,000 words and higher.

If possible, write your series so a reader can read it in any order. You cannot control which book a reader will come upon first and some readers may deliberately read a series out of order. At Smashwords, you can designate the recommended reading order using the Smashwords Series Manager tool. Learn more at http://blog.smashwords.com/2013/09/new-smashwords-series-manager-improves.html

Regardless of length, every book you publish – series or not – should offer a complete reading experience with a beginning, middle and end.

Some writers try to cut corners by dividing a single full length book into multiple shorter ebooks. Readers usually *hate* this, and they will respond by reviewing your book poorly, or ignoring it altogether. It's critical you honor your reader with a complete read. If this guidance isn't enough to convince you, here's some real data: In a recent survey of the top 20 bestselling titles at Smashwords, the average length was over 80,000 words.

As the author, your name is your brand. Your job is build trust with the reader. Trust-building is the subject of the next chapter.

Secret Six

Build Reader Trust

Your target readers have millions of other books to choose from, and millions of alternative sources of media content – much of it free – from which to obtain their reading pleasure.

If you want to stand out from the crowd, wouldn't it be great if you could encourage readers to seek you by name? This is possible once they know your talents. You want them to trust you like their favorite brand. You, the author, are the brand.

What is a brand, exactly? Your brand is that bundle of characteristics, qualities and magic readers come to expect from you when they read your material.

Brand loyalty is built over a lifetime but can be lost in an instant. As an author, your brand builds as the customers (the readers) expose themselves to your material. If each read rewards readers with the satisfaction they seek, they will become conditioned to seek you out.

Never betray their trust.

How trust is earned and lost

First, the good news: Your writing is unique. There's nothing like it in the world. Your writing represents the sum product of your creativity, intellect, writing talent, life experience and sacrifice.

Now the bad news: Just as readers are looking to discover an author like you, they're also looking for reasons to ignore you.

Put yourself in the readers' shoes. They're looking for a good read that's perfect for them at that moment. They're inclined to gravitate toward authors

they trust.

Readers are overwhelmed by the flood of alternative choices. They've been burned by authors before you. They've learned to impose strict defense mechanisms, even if they don't consciously view their behavior as such. Their trigger-happy finger is on their mouse, or on their e-reading device's navigation button, ready to click away in a micro-second at the first sign your writing won't satisfy them.

It's easier to lose a reader than gain a reader. This means the author must earn the reader's trust at every step of the relationship. Never stop working to earn and deserve the next click or page turn.

Think of trust building and trust loss as a progressive series of steps. It's a journey that starts the moment the reader first glances at your ebook cover. In a micro-second, they see your cover image and make a judgment.

Put yourself in your target reader's shoes, and ask yourself what they're looking for at an emotional (for fiction) or intellectual (non-fiction) level, then give them the visual cues that tell them your book will satisfy their desires.

Does the cover image scream "amateur" or "lazy," or does it scream "enticing" and "professional"? Does it engage their senses and resonate with their desire?

At the same time they view your cover, they'll read your book title.

Does the title draw them in? A good title, in combination with the cover image, helps the reader self-identify as the target reader for this book. Does the title pull readers in and make them want to read more, or does it leave them unfulfilled?

If a reader is looking for nutritious and delicious cookie recipes, a title of "Nutritious and Delicious Cookie Recipes" connects with your target reader. If you marry the descriptive title with a professional cover image that shows fresh baked steaming cookies that make the prospective reader's mouth water and nostrils tingle, then the reader will feel motivated to sample the book or buy it on the spot.

If you write romance, will the cover image and title promise your readers they'll feel swept away by the romantic heat? If you write thrillers, will the reader sense tension at every page turn? If you write mysteries, do the cover and title ooze with intrigue? You get the idea.

Next, your prospective buyer will read the description. Is it crisp and engaging, or written like slop? Great descriptions are tough to write. It's difficult to capture in a few dozen words the essence of a book. Start by recognizing that you shouldn't try to summarize the entire book. Tell the readers enough so they want to experience the book for themselves.

At Smashwords, we've seen descriptions ranging from amazing to horrible. We've seen poetry with nine-word descriptions such as, "This is my poetry. I hope you enjoy it." Huh? Why should a reader read on? Or, we see descriptions with typos or poor grammar. These sloppy errors are instant trust killers. The readers will click away before they give you a chance.

If you're lucky, the combination of your cover image, title and book description will inspire the reader to download a free sample or click the buy button.

The first thing readers see is the front matter at the top of the book. Is the formatting consistent, orderly and visually attractive? Next, they read the first sentence, then the first paragraph and then the first chapter.

At each step of the process, the readers make a decision to continue forward or give up. Even the slightest of glitches can cause them to give up.

With each sentence, paragraph or chapter, reader trust builds – or is broken. If you hold the reader's attention until The End, then you've earned a measure of trust.

Trust builds with time. The more time readers spend with your writing, the more they know your writing, warts and all. A full-length book, assuming the reader finishes it and enjoys it, helps a reader form a more confident opinion of you and your writing than a short story. Each subsequent book is an opportunity to build or squander trust.

Nyree Belleville, a successful Smashwords author who writes under the pen names Bella Andrea and Lucy Kevin, once told me she wakes every morning paranoid that all her success could evaporate in an instant if her next book isn't as good as her previous books. She understands the importance of meeting and exceeding reader expectations. She's 100% focused on satisfying her readers. She's meticulous about every aspect of reader experience, from choice of book title, to cover design, to book description, to narrative style, to editing and pricing.

Secret Seven

Embrace Your Obscurity

All of us, even those few lucky enough to achieve New York Times bestseller status, are obscure.

A New York Times bestseller is *obscure*, you ask?

Think about it. We are all unknown to the vast majority of our target readers. An author can sell 30,000 copies in a short time to become a bestseller, yet the author still hasn't been read by the hundreds of millions of other readers who would enjoy the author's book if only those readers gave the author a chance.

Recognize your obscurity and it will help you become a smarter, more successful author.

Your obscurity is cause for optimism. Why? Authors who realize they haven't reached all their potential readers will never stop working to find new readers.

Unless you suck – and I'm guessing you don't suck because you're taking the time to read an ebook about ebook publishing best practices – there are thousands of readers out there just waiting to discover you. If you work to make your books more discoverable and more enjoyable to readers, you will get read by more people than those authors who aren't as hungry, or who rest on their laurels.

I've lost track of the number of times I've heard otherwise intelligent authors state, "I've sold hundreds of copies at Amazon so I don't need to bother selling my book at other retailers." Sure, these authors may be successful, yet imagine how much more successful they'd be if their thinking wasn't so narrow and self-limiting?

The purpose behind *The Secrets of Successful Ebook Publishing* is to challenge you to think bigger and smarter. Never stop fighting for the respect and readership you deserve. Never rest on your laurels. Never believe you know everything there is to know. Never stop learning. I know I never stop

learning from Smashwords authors – they're the ones who inspired me to observe and record their best practices here. Never stop experimenting.

Even after you do achieve success, stay hungry and realize there are millions more readers who haven't discovered your talents yet.

Secret Eight

Spend Your Time Wisely

The most valuable contribution you have to give to the world is your time. Spend it wisely. Jealously guard it from distraction and inefficiency.

Ask yourself, where is your time and talent best-utilized? What can you do better than anyone else? What can you create that is singularly unique to you? Hopefully, your answer is to write the best book only you can write. Then write another, and another!

As the power of publishing shifts from publishers to authors, authors must become professional publishers, and professional time managers. Publishers possess a wide range of responsibilities. They must professionally edit, revise and proof each book, professionally format it and package it with a professional cover image. They must adorn the book with quality metadata, price it, distribute it, sell and market it, market the author, and collect payments from distribution partners.

Some indie authors mistakenly believe they must do all the work themselves. This thinking is counterproductive, and potentially damaging.

If you can hire a low-cost specialized expert to do the job better, faster and cheaper than you can do on your own, then hire out. Luckily, experts are plentiful, and you need not spend a king's ransom to hire good help.

If you're not an expert cover designer, or if you don't have the time or patience to format your manuscript for conversion, hire an expert.

If you don't have time to prepare your book and metadata to each retailer's specifications, or if you want to save time on uploading, metadata management, distribution and bookkeeping, use a distributor (more on distribution next).

Remember, successful writers write.

Secret Nine

Maximize Distribution

Distribution is the process of making your book available for sale at major ebook retailers.

Availability is necessary for discoverability. Unless your book is broadly available where readers browse for books, your book is not discoverable and cannot be purchased. It's invisible.

The operative word here is ***browse***. In a recent survey I conducted on how readers find the books they purchase, random browsing accounted for nearly half of all purchases (see Secret #20 on Discovery Touch Points for the full results of that survey). The implication of this finding is that even if you're not yet a name-brand author, and even if your marketing is weak, if you write a great book and make it discoverable, some of these random browsers will find you.

Take advantage of the supply chain intermediaries – distributors and retailers – that can put your book in front of more readers.

In the U.S., Amazon is probably the largest seller of ebooks, with a current market share of somewhere near 50% in 2014, down from around 90% in early 2010 according to some published estimates. The rest of the market is divided among ebook retailers such as Apple, Barnes & Noble, Kobo, the Smashwords.com store, Sony, Flipkart, the Diesel eBook Store and smaller players.

There are also many regional ebook stores that operate only in certain countries, or specialty ebook stores that cater to specific categories. Kobo runs and operates the ebook stores of FNAC, France's largest bookstore, and W.H. Smith, a large retailer in the U.K. In 2012, Barnes & Noble expanded to the U.K. market, and is likely to enter additional markets in 2013.

Your choice of ebook retailer is not like your choice of favorite political party, religion or sports team. You need not and should not limit yourself to a single

retailer "team." Distribute to as many retailers as possible.

Ebook retailers and e-reading device makers are investing millions of dollars – sometimes hundreds of millions of dollars – to attract readers to their devices and bookstores. Visit nearly any major city and you find e-reading device advertisements on billboards, bus stops and in subway trains. They're all attracting readers to their devices and bookstores for your mutual benefit. Take advantage of their efforts. Every major ebook retailer wants to carry self-published ebooks. The image below shows a small sampling of some of the retailers that carry self-published ebooks.

For the last two hundred years, traditional publishers controlled the printing press and controlled access to retail distribution. Today, the ebook printing press is free and available to all. The distribution part of the business has become completely democratized.

How to Get your Books Fully Distributed

You have two primary options for delivering your book to ebook retailers. The first option is to use an ebook distributor. The second option is to upload your book directly to the few retailers that operate their own self-publishing platforms.

Some Smashwords authors choose a blended approach. Since we offer limited distribution to Amazon at this time, most of our authors will upload direct to Amazon then use Smashwords to reach all the other major retailers. Someday, we plan to offer full distribution to Amazon as we do with other major retailers because many of our authors would prefer to reach Amazon via Smashwords.

I'll do my best to explain your options below so you can decide which approach works best for you.

How distributors work: The primary benefit of a working with a distributor is time management. A good distributor helps you spend more time writing and less time fussing with distribution. Distributors also help you reach retailers that can only be reached with a distributor.

Distributors are usually the simplest method of reaching the maximum number of retailers quickly. With a distributor, you upload your book and metadata once and the distributor takes care of everything else. Some distributors (such as Smashwords) provide free ebook conversions and free unlimited updates. The distributor then prepares your file and metadata to the exact requirements of each retailer, and then delivers your book to multiple retailers.

Retailers pay the distributor on your behalf, and then the distributor provides you aggregated sales reports and payments. These reports make it easy to track your sales results across all retail channels. The aggregated sales reports are big time-savers, and greatly simplify your year-end tax reporting. For publishers and literary agents, aggregated sales reports are almost a business necessity.

With a distributor, you centrally manage your ebook distribution from a single dashboard console. If you want to update your cover image, correct a typo, change pricing, or update your book's marketing description, you make the updates once through your distributor's dashboard and the distributor broadcasts the updates out to all retailers. If a retailer is listing your book inaccurately, the distributor can often get you same-day or next-day corrections because distributors have priority access.

Most distributors earn their income by taking a commission, usually equal to about 10% of the list price, on all sales generated through their network of retailers.

In some instances, you can earn a higher percentage by working through a distributor as opposed to uploading direct to the retailer. At Smashwords, for example, you'll earn 60 percent of the list price for any book we distribute to Barnes & Noble priced at or above $.99. If you upload direct to B&N without Smashwords, you'll earn 40% for books priced under $2.99 or over $9.99, and you'll earn 65% for books priced between $2.99 and $9.99.

A distributor can often give you access to merchandising capabilities that aren't available to authors who upload direct to the retailer. For example, if you want to price a book at FREE at Barnes & Noble, or your want to deliver a preorder to Barnes & Noble (I'll explain why preorders are so exciting later in this book), you can only do it through a distributor like Smashwords.

How Retailer Self-Publishing Platforms Work: Some retailers allow

authors to upload directly to their stores without using a distributor. Apple, Amazon, Kobo and Barnes & Noble all operate such self-publishing platforms.

As of this writing, Sony, Diesel, Baker & Taylor, Oyster, Oyster and Flipkart don't operate self-publishing platforms, so the only way to reach them is through a distributor.

Each retailer has different formatting, file preparation and account setup requirements. Some will want you to enter a credit card on file so you're liable for incidents of fraud. Most authors find Apple's platform the most difficult (they actively encourage authors to use one of their authorized aggregators, of which Smashwords is one), whereas the platforms of Amazon and Barnes & Noble are easier.

If you don't use a distributor, and you want to make updates to your books or metadata, you will have to contact each retailer individually. This can be time-consuming and counterproductive, especially if your book isn't selling well. The time-savings and convenience is why the vast majority of Smashwords authors distribute via Smashwords when given the choice.

Most retailers pay monthly after an initial lag time of two months. Each offers downloadable sales report spreadsheets, though the layouts vary from one retailer to the next so it can be a challenge to create your own aggregated reports.

None of the retailers require exclusivity, though one retailer – Amazon – aggressively pushes for it. Don't limit yourself with exclusivity. It's better to maintain full, uninterrupted distribution to all retailers. More on that next.

Secret Ten

Avoid Exclusivity

Bookstore distribution has always been a primary determinant of success for traditional print authors. The more bookstores around the world stocking, promoting and selling a print book, the more books an author would sell.

Indie ebooks enable instant, worldwide distribution. Why then do some authors succumb to the temptation of limiting distribution to a single retailer?

Before I address the drawbacks of such exclusivity, let's delve deeper into the distribution received by traditionally published authors.

Brick and mortar bookstore distribution is one of the most important benefits of a traditional book publishing contract, because nothing sells books like physical shelf presence.

A good traditional publisher has the ability to land your book in hundreds or thousands of stores on launch day.

Despite access to physical retail stores, most traditionally-published print authors still suffer from limited or inadequate distribution to bookstores.

Why is this the case? The answer lies in the structural makeup of the print book *supply chain* (a supply chain is how a product travels from its point of origin to its customer, or, in the case of a book, how it travels from a publisher to a distributor to a retailer).

Factors contributing to poor or under-distribution of traditionally-published print books:

1. The Ticking Death Clock: The moment a traditionally published print author's book hits the shelf, a death clock starts ticking. Books are often given only a few weeks to jump off the shelves before retailers pack up the book and ship it back to the publisher for a full refund. The returned books are either pulped (destroyed) or sold off to remainderers (intermediaries who sell books by the pallet-load at deep discounts). When a book is remaindered, it means

the publisher printed more books than retailers could sell.

Why do retailers ship the books back? The book retailing business is essentially a consignment business. Although retailers purchase books they intend to sell, the books are returnable within a certain period of time. Retailers, even the large format retailers such as Barnes & Noble, have limited floor space and shelf space, and that space costs them money in rent and staff time to stock, manage and sell the books. A common metric used by retailers to measure their sales performance is to look at the total sales per square foot per month. Titles that sell well will maintain shelf space, and titles that don't sell are boxed up and returned to make room for new titles.

The ticking death clock was necessitated by the need to make room for newer, possibly better-selling titles. Large bookstores cannot usually stock more than 100,000 unique titles in each physical store, and since traditional publishers release 200,000 or more new books each year, stores were forced to constantly remove all but the bestselling of books from inventory to make room for new titles.

In this way, hundreds of thousands of high-quality books have been forced out of print before they had a chance to find their readership. If these same titles were available as immortal ebooks, the outcomes might have been different.

Hundreds of Smashwords authors were once traditionally published, and most of them have out-of-print books. In many cases, the rights to those books have *reverted*, meaning the publisher returned the rights back to the author. These authors are now bringing their reverted-rights books back to life as indie ebooks. Some of these writers are earning more money republishing their reverted-rights book as an indie ebook than they did during their traditional publishing contract.

2. Territorial sales – Under the conventional print publishing model, agents or publishers would dole out secondary publishing rights territory by territory to publishers who specialized in each territorial region. This invariably meant that few, if any, books could ever receive distribution to more than a handful of countries. Especially for smaller markets, it was not economically feasible for a publisher to take the risk to acquire, translate, produce, print and distribute the title. This created vast geographies of unavailability where customers couldn't purchase the book even if they wanted to. Ironically, ebooks need not be bound by geographic restrictions of expensive physical production or distribution and shipping expenses, yet many traditionally-published ebooks are still available in only certain territories. Why? It's silly, really, but when ebooks first came on the scene, publishers superimposed traditional licensing and distribution models upon the ebook, even though such geographic restrictions no longer made sense. Agents and publishers are wising up about this self-imposed restriction, so I think in the future we'll see more books globally-licensed by publishers based on language rather than

traditional systems of territoriality.

Until the advent of indie ebooks, even traditionally-published authors suffered from poor distribution, because unless their books jumped off the shelves, the titles were returned by the retailers (or refused future distribution).

Ebooks Democratize Distribution for Indie Authors

Today, every indie author has simple and free access to global distribution. Indie authors often enjoy better ebook distribution than traditionally-published authors. Why? Because many publishers still license ebook rights by territory the same as they've always licensed print rights. Indie authors distribute worldwide.

The global market is important to the future of English-language books. At Smashwords, as of this writing, we distribute to 51 Apple iBooks stores. Almost half of our sales through Apple are from outside the United States. Most of these countries are two to five years behind the U.S. in terms of ebook adoption on a market share basis. This means many countries are just now entering the same exponential growth phases of their markets that the U.S. market enjoyed in the last three years. In the U.S., ebooks as a percentage of book sales increased from about 1% in 2008 to 3% in 2009 to 8% in 2010 to 20% in 2011 and 30% in 2013. On a global sales basis, as of this update in mid 2013, Amazon is the largest seller of ebooks, followed by Apple, Barnes & Noble, Kobo and then the Smashwords store.

Within the next few years, the market outside the U.S. for your books will become much larger than the U.S. market. The growth in sales of English-language books isn't restricted to English-language countries like Canada, the U.K., Australia and New Zealand. Every day, we're selling English-language titles into Scandinavia, Germany, France, the Czech Republic, Spain, Italy and other countries.

In August, 2013, we announced a distribution agreement with Flipkart, India's largest online bookseller. Flipkart controls 80% of the online bookselling market in India. Ebooks today account for less than 1% of the overall trade book market in India. I expect India to become one of the largest markets for English-language books over the next 10 years. You can **click here** to read our Flipkart announcement and learn interesting facts about the ebook opportunity in India.

If indie authors now have the ability to get their books listed at every ebook store, why then are some authors so quick to surrender their worldwide distribution in favor of territorial distribution and retailer exclusivity?

This question came to the forefront in December 2011 when Amazon

launched **KDP Select**, a controversial program that requires authors to remove their books from all retailers except Amazon for at least 90 days.

Why Authors Should Steer Clear of KDP-Select

KDP-Select is an opt-in program offered by Amazon. Once authors enroll in KDP-Select, their book becomes available for free download by subscribers to Amazon's Prime service (a service that provides free shipping, among other benefits). Prime customers are allowed to download one KDP-Select book per month for free. If your book is downloaded by someone, you're paid your pro-rated share per download from a special fund. In recent months, each download has been valued at about $1.80.

It's an innovative, creative program, except for one **significant drawback** in my opinion: **It requires exclusivity**.

I first warned authors in a blog post at Smashwords (http://blog.smashwords.com/2011/12/amazon-shows-predatory-spots-with-kdp.html) about this program.

Although many authors have steered clear for reasons ranging from business practicality to conscience, Amazon has still convinced thousands of authors to strip their books from the shelves of Amazon's competitors.

Does KDP-Select represent evil genius on the part of Amazon? Yes. Amazon recognizes that indie authors are the future of publishing. If current trends continue, indie authors will continue to take market share from traditional publishers. Large traditional publishers are becoming more and more irrelevant. Amazon understands that by capturing hundreds of thousands of exclusive indie books, they'll starve their retail competitors of books to sell, and they'll make these authors more dependent upon Amazon. Once authors are dependent, they lose their independence. Risk increases.

With exclusivity, you surrender the security that comes from maintaining diversified exposure at multiple retailers. Just as an investment advisor would discourage you from investing all your savings in a single stock, think carefully before you invest your book's future in a single retailer.

Exclusivity puts your fate at the mercy of a single retailer. What happens if the retailer suddenly changes its discovery algorithms, causing your sales to plummet? What happens if the retailer begins to change the terms? This is already happening at Amazon. Already, regular KDP authors who don't opt for exclusivity receive less advantageous discoverability compared to authors who do enroll. In other words, Amazon punishes you if you don't enroll by giving special perks to those who do.

In 2012 when Amazon entered India and Brazil, it turned the screws even

tighter. Amazon made the 70% royalty option dependent upon your book remaining in the KDP-Select program. Otherwise, you only earned 35%.

Exclusivity angers your fans. Although Amazon is the largest retailer, its market share has declined since 2008, when it controlled 80% of the market. Millions of readers prefer to purchase at other retailers, and read on other devices. If your book isn't everywhere, you create unnecessary friction that makes your book less accessible and discoverable to readers, which means readers are more likely to discover and purchase someone else's book.

If your book isn't everywhere all the time, you limit your odds of a breakout. A breakout is a rise in sales rank or an appearance on genre or site-wide bestseller lists. Many of these breakouts are random and unexpected. Books break out at different retailers at different times, because each caters to a different audience. Luck plays an important role. I'll explore breakouts more fully in Secrets #14 and #15 below.

When a book is removed from any retailer, it's like yanking a tree out by the roots. It destroys sales rank at each retailer because the book is no longer selling. It prevents breakouts.

If the author later republishes the book at these retailers after Amazon's mandatory minimum three-month exclusive term expires, the sales rank must be rebuilt from scratch.

Finally, exclusivity harms all those other retailers that are building their businesses for your benefit. It would be a sad world for indie authors if we wake up five years from now to discover most ebook retailers are out of business and one retailer controls 90% of the market.

None of the other platforms or retailers push you toward exclusivity.

I think every author should publish at Amazon, but don't enroll in the Select program.

Secret Eleven

Give (some of) Your Books Away for Free

FREE is the most misunderstood and underutilized book marketing tactic for indie authors. It's one of the best-kept secrets for the best-selling authors at Smashwords.

When you price a book at free, you eliminate the financial risk readers face by giving you a try. Free books at Smashwords receive 50-100 times more downloads than priced books. Take advantage of free to reach new readers and then introduce these readers to your priced titles.

Free works best if you have a deep backlist or you write full-length series.

Brian S. Pratt, a best-selling author of epic fantasy at Smashwords, offers the first title in his seven-book *Morcyth Saga* series for free. The first book is full-length, clocking in at over 140,000 words. Because Brian's a great story teller and his readers love his work, by the time they finish the first book they're hooked, and then they return to the retailer to purchase the other six books at $5.99 each. In the fourth quarter of 2010, Brian earned over $20,000 across the Smashwords distribution network. (See my interview with Brian at the Smashwords Blog at http://blog.smashwords.com/2010/12/smashwords-author-brian-s-pratt-to-earn.html.)

If you only have a single book, consider offering it for free for a limited period of time. This is a great strategy for building early buzz and obtaining a critical mass of reviews at the major retailers.

I'll share my own experience with free. My *Smashwords Style Guide* (how to format an ebook) and *Smashwords Book Marketing Guide* (how to market any book) have always been priced at free. In the last four years, the two titles have been downloaded over 400,000 times combined. *The Secrets to Ebook Publishing Success* is also priced at free. Sure, I could put a price on it and sell it to fans of the other two ebooks, but that would reduce readership. By pricing books at free, the book is accessible to more readers.

Why do I give these books away for free when I could earn money selling them? The answer is that I'm on a mission to share the secrets of successful ebook publishing with all the world's writers, authors and publishers. You, my dear reader, are essential to this campaign. I want you to take what you learn here, build upon and improve it, then share your secrets of success with your fellow writers, authors and publishers. A rising tide lifts all ships. We're all in this together.

As the world's largest distributor of ebooks from indie authors and small presses, we directly benefit when authors and publishers produce more successful books, and publish and distribute smarter. Although each of my ebooks mentions Smashwords, none pushes a hard-sell for our services. I trust that once authors and publishers are armed with sound foundational knowledge, they'll make the best decision for themselves and their readers.

The Story of *Boob Tube*, the Founding of Smashwords, and How I Discovered the Power of FREE

Here's another example of how I used free for my own novel, *Boob Tube*. But first, I should share the story behind *Boob Tube*, because it's the story behind Smashwords.

My inspiration for starting Smashwords in early 2008 came from my own experience as an author. Several years ago, my wife and I co-wrote *Boob Tube*, a novel that explores the dark side of Hollywood celebrity. Why soap operas? My wife is a former reporter for Soap Opera Weekly magazine.

Despite representation from a top New York literary agency, we were unable to sell the book to a publisher. Publishers questioned the commercial potential of a book targeting soap opera fans. Our agent suggested we self-publish. It seemed like a reasonable idea, but the more I contemplated the challenge we faced, the more I became concerned by the power publishers had over authors. I remember thinking, "How dare publishers play the sole arbiters of what writers can publish and what readers can read!"

I realize publishers have legitimate business reasons for their decisions. Because they're in the business of selling books, they must try to acquire only titles that they think have the greatest commercial potential. The challenge here, though, is that although publishers are smart, well-intended people, their decisions are ultimately guesses. Readers, and specifically the word of mouth of readers – determine which books go on to become bestsellers.

I realized publishers were unable to take a risk on every author. This forced them to reject many great writers.

So I decided to take our agent's idea several steps further by creating

Smashwords, a free ebook publishing platform that would help any author, anywhere in the world, self-publish an ebook. By operating a free, self-serve ebook publishing platform, I would be able to take a risk on every author. Yes, FREE is part of the Smashwords business model too.

Boob Tube was the third ebook published at Smashwords. You might wonder, how well did *Boob Tube* sell as an ebook? The answer is, miserably at first. After two years it had sold fewer than 25 copies. I experimented with prices ranging from $.99 to $7.99, with no effect. Why so terrible? *Boob Tube* was invisible to our prospective readers. I think the biggest problem was that it lacked reviews at the retailers. The second problem was that I wasn't doing any proactive marketing to introduce it to readers. I simply didn't have the time because Smashwords had become a 24-hour-a-day job.

My wife and I had a heart-to-heart conversation and asked ourselves why had we written this book? Was it to earn a ton of money, or did we write it because we felt we had an important story to share with the world? No doubt, we decided, we wrote it to share an important story about the dark side of celebrity. Inspired by the tremendous download rates of free books at Smashwords, we decided to price the book at free. Over the course of six months, 40,000 copies of *Boob Tube* were downloaded. We started receiving our first reviews, and the reviews were actually quite good. We began receiving fan mail from readers who wanted a sequel. After six months of free, as an experiment, we put a price on it. We tried $2.99. We immediately started selling 15-30 copies a month. We're unlikely to earn a fortune off of our novel, but our sales graduated to slow steady boil, and it's exciting to think that odds look reasonable we'll be able to earn a nice annuity stream of $300-$500 a year from the book for many years to come.

Inspired by the recommendation of several bestselling Smashwords authors, I'm planning to replace the cover image with a better one. Such a simple change might lead to a permanent, incremental increase in sales.

We're also considering a revision. Across most of the retailers, our reviews are averaging about 3.5 stars out of 5. What impact would it have, I wonder, if after a revision we could get our average review rating to increase to 4 stars? When I look at the bestsellers at Smashwords, they're averaging 4.5 stars or higher.

A few other Smashwords authors, whose advice I respect, suggested I should change the title too. They're concerned the title doesn't adequately connect with the interests of our target audience. In the U.S. "Boob Tube" is a somewhat tongue-in-cheek double entendre that refers to television. Our intention is not to demean or belittle those who watch television, or those who produce it (quite the opposite, actually!), so it's possible we're sending the wrong message to fans of daytime television. Outside the U.S., the meaning of Boob Tube is lost. In the U.K., a boob tube is a tank top shirt.

Gone are the days of the static book where your publication date represented one foot in the grave. Now, a publication date is just the beginning of a journey and you decide where you go next.

You can change the cover, change the price, or change the book description at any time during the life of the book. You can even edit the content and release a new edition at no additional cost. At Smashwords.com, our small retail platform, your customers can obtain a copy of the new edition free because updates are included in their original purchase price. This is the beauty and power of indie ebook publishing. You can tinker until you hit the right formula.

Secret Twelve

Understand the Algorithm

You may have heard the term “algorithm” but didn’t know what it meant. It’s an incredibly important term in ebook retailing. An algorithm is simply a set of automated rules or logic that determine how an ebook retailer merchandizes (recommends and displays) titles. An algorithm strives to match readers with books they’ll enjoy reading.

Think of your local brick and mortar bookstore. If you’re lucky, you’ve been shopping there for years and have developed a personal relationship with the booksellers behind the counter. Each time you walk into the store, they ask you how you liked the last book they recommended to you. They know you. When you ask their recommendation for, say, a good mystery, the booksellers will draw upon their knowledge of your tastes as well as the tastes of other customers like you, and will make a recommendation.

In other words, your favorite booksellers are drawing upon multiple data points to help match you with a book you’re likely to enjoy reading. They’re using algorithmic logic, even if they don’t consciously think of it that way.

Algorithms attempt to mimic and capture common human recommendation methodologies. Retailers' algorithms might look at your purchasing behavior, browsing and reviewing habits, then attempt to map your behavior to the collective consumer behavior of their thousands or millions of other customers. Using this data, the algorithm will decide which books become more visible to you, and which titles become less visible.

The simplest, most basic manifestation of an algorithm is a title’s *sales rank*. Sales rank, as the phrase suggests, is a measure of how a given title ranks against all others in the store. In addition to having a store-wide sales rank, a title can also have a category-specific sales rank. For example, your title might become the #40 bestseller store-wide, but in your specific category of romance or historical fiction or self-help, it might be #1 or #2.

Sales rank impacts your book's visibility in the store, both directly and indirectly. Directly, a high sales rank will place a book in one or more bestseller lists. Let's say you're looking for a good thriller novel. You might click to the retailer's fiction category, then click thrillers, and then click the list of bestsellers. The bestseller list represents the recent collective purchase behavior of other thriller fans. The list displays the books with the highest sales rank in that category first.

The algorithms behind bestseller lists are usually much more sophisticated than just counting overall sales. Each retailer's algorithms are different, and although the underlying mechanisms are closely guarded secrets, some commonalities remain.

Most retailer algorithms, for example, look at some measure of *sales velocity*. Sales velocity is a term, sometimes also called *momentum* or *delta*, that takes into consideration the rate of change and the timing of the change. Velocity looks specifically at how many sales come in during a short period of time. For example, a retailer's bestseller list might capture bestsellers over the last 90 days or other timeframe, but sales made in the last few hours or days will be weighted more heavily than sales from two weeks ago. This makes sense. Retailers want to sell today what's hot and moving today. In my experience, most retailers weigh sales in the last 24 hours the most heavily.

If a swarm of a few purchases come in over a short period of time, it can cause a book to suddenly spike in sales rank and bestseller list, and that spike increases the title's visibility, which can in turn cause other sales from customers who use bestseller lists to find their next reads.

Readers tend to look first at the top sellers in a list, much in the same way as when someone does a search on Google, the top listing will get many more clicks than the second listing, and links on the first page of Google results will receive dramatically more clicks than results on the second page. Transferring this same behavior to the search engine algorithms of online bookstores, a #1 book will enjoy greater discoverability than a #10 book, and the #10 book will get many more purchases than #40 or #2,000.

There are potentially hundreds of factors that feed into a retailer's algorithm. One such factor is profitability. Retailers try to tune their algorithms to ensure that they strike a balance between reader satisfaction and profitability. It wouldn't make sense, for example, for a retailer to only recommend free books. Yes, most retailers have lists of the most popular free books, but their prime promotional space usually focuses on paid books.

Some retailers might promote a $9.99 book over a 99-cent book because the more expensive book yields more profit for the retailer, too. However, the retailer always remains cognizant of customer satisfaction. The retailer doesn't want to recommend a more profitable book if the reader won't enjoy it, because a poor recommendation compromises the customer's faith in the

quality of a retailer's recommendation algorithms.

One of the most powerful discovery tools at retailers is what most indie authors refer to as the ***also boughts***. See the example below.

Click to LOOK INSIDE!
BOOB TUBE
Boob Tube (a soap opera novel) [Kindle Edition]
Digital List Price: $2.99
Kindle Price: $2.99 includes free wireless delivery via Amazon Whispernet
"also boughts"
Customers Who Bought This Item Also Bought
Page 1 of 16
Brandon's Story (Control Freak) by Reene Jacobs
$0.99
Love a la Carte by Jeffrey Stepakoff
$0.00
Hollywood Scandals (Hollywood Headlines) by Gemma Halliday
The Middle Passage by Julia Golding
$0.00
Hidden Steel by Doranna Durgin
$4.49

You've probably seen this merchandising technique, where a retailer will display a collection of titles labeled, "Customers who bought this also bought …" The power of the *also bought* algorithm is that it takes advantage of the fact that many of us like the same types of things. A good *also bought* algorithm, however, doesn't treat readers like a herd of sheep. Instead, it recommends books that are within the same contextual likeability field (same or related genre or topic) as the title the buyer is currently considering. The retailer can magically produce these recommendations by aggregating the purchasing behaviors of other customers with similar purchasing histories. The result is a more personalized shopping experience.

In order to gain the benefit of placement in the *also bought* algorithm, you need customers to purchase your book and other books similar to yours so you can get that contextual connection within the algorithm. This means books which sell well tend to get more heavily merchandized within the *also bought* algorithm, and more sales lead to yet more sales. Catalysts for the *also bought* algorithm include positive reviews, purchases by active buyers of other books in your same category, and buyers who recommend the book to their friends.

Think of reviews and word of mouth as having the power to act as both accelerators or brake pedals, because they're expressions of reader satisfaction or dissatisfaction. Once your book is caught up in the wonderful swirl of the *also bought* algorithm, strong reviews will help perpetuate continued strong sales, whereas poor reviews will dampen sales. If your book strikes passion into the hearts of readers and causes them to want to talk about the book via their online and offline social circles, that too will help perpetuate your sales

momentum.

Some retailers will also use browsing history as an indicator of consumer preference. You might see a list of titles labeled something like “People who looked at this book also looked at these other books.” If browsing leads to sales (it does) then these “also browsed” lists are useful discovery tools for the reader.

How can you use the information above to break into the algorithm’s good graces? One option is to consider how your book promotion might feed into the algorithms. Let’s say you’re doing a book launch. In an ideal launch, you’d have a large number of media placements (print media, radio, blogs, advertisements) hitting at the same time. You’d provide hyperlinks to your books at the different retailers, so you could get a large number of customers to swarm the retailers in a short period of time. This would increase your velocity, which would cause your sales rank to spike, which would lead to greater visibility in the bestseller lists and the *also bought* lists.

Try to involve your fellow authors in cross-promotional launch promotions, especially if you write in similar genres or topics.

If your fellow authors can provide you promotional access to their fans, such as in a promotional mailing to your mutual mailing lists, or a guest blog post on their blog, then these fans will spur on the *also bought* algorithm so that your book might appear in the *also boughts* of their book pages (because their fans are now purchasing your books). This will also cause your partner authors’ books to start appearing in the *also boughts* listings of your book pages. Such collective promotions are a win-win for you and your author friends.

Although it’s helpful to orchestrate that swarm of buying with your initial launch campaign, be sure to also maintain some “rolling thunder” afterward, by which I mean additional media interviews, blog interviews, and proactive promotion effort.

Secret Thirteen

How Retailers Select Titles for Feature Promotion

In the brick and mortar bookstore world, the front tables and front shelves that greet you as you walk in the store are prime real estate. These are the first titles customers see, the first titles they're likely to browse.

Although we humans like to think of ourselves as intelligent, independent-thinking creatures, our book buying behaviors liken us more to filter-feeding sea creatures. Our mouths are our eyes, and the books we sample and taste are the ones immediately within our visual proximity. A large percentage of people who walk into a bookstore have no idea what they want to buy. They're looking for a great book, and the browsing is half the fun!

So, if you accept that most of us enjoy filter-feeding on books, then what's the secret to getting readers to pick up a book? The answer, obviously, is to put the book immediately in front of readers, and use a cover image that catches their eye. This is why brick and mortar bookstores, and especially those very front shelves, are such powerful tools for selling books.

That prime real estate, in the brick and mortar world, comes at a cost. Publishers pay what's called "co-op dollars" to receive preferential front-of-store placement. Publishers will even pay to have their books placed on the bookshelves face-out rather than spine-out.

In the online realm of ebook retailing, retailers don't charge co-op fees for the virtual equivalent of front-of-store feature placement (though it's only a matter of time before some do). Instead, they look at other factors. If it's a new release from an established author, or an author who has sold well previously, then it's more likely to get promoted in one of the "featured" categories.

Self-published titles are increasingly promoted in the retailers' online merchandising features. Why? Indie ebooks are becoming better and more professional. Indie ebooks are typically priced lower, which means they can

offer retail customers greater value. In December, 2012, the Apple iBookstore launched a bold, ongoing promotional feature called Breakout Books (image below). The promotion first started in their Australia iBookstore, and then was adopted in Canada, the U.K., and then the U.S.

Over 70% of the books included in the U.S. store's debut Breakout Books feature were Smashwords books. The promotion caught the attention of the New York Times and the Wall Street Journal. Learn more about the Breakout Books feature at the Smashwords Blog.

All retailer merchandising features are curated by merchandising managers at each online bookstore. Similar to the brick and mortar world, it's a relationship business. In brick and mortar, the publisher's salespeople would communicate with their merchandising counterparts at the retailers and try to make the case that a given title deserved featured promotion.

Online retailers work the same way. How do they decide which books earn promotion? The retailers want to make their customers happy, and they want to make money.

The retailers want to know, or at least have a high degree of confidence, that if they give a title some promotional love and recommend it to their customers, those customers will be immensely satisfied. They want to have confidence that a high percentage of people who sample a book will actually purchase it, and that readers will love it so much that they leave positive reviews and tell their friends to buy it too. Retailers want to have confidence that if they promote the title, they're going to sell a lot of copies, earn a lot of money, and most importantly, please a lot of customers.

How do the merchandising managers find the right titles to promote? It's actually much in the same way brick and mortar merchandisers find their titles, though without the co-op paid placement part. In the ebook world, merchandising decisions are much more data-driven based on customer sales and reviews.

Merchandising managers utilize several methods to identify promotion-worthy books:

1. They look at your title's sales trends, reviews and the quality of your book cover image. If they think you deserve it, they'll decide to feature you. This happens often to Smashwords authors who have enjoyed such feature placement at Apple, Barnes & Noble, Kobo and others.
2. They look at national ebook bestseller lists such as those maintained by the New York Times, USA Today and Wall Street Journal. They also look at the bestseller lists of their competing ebook retailers, not just overall bestsellers but also genre-specific bestsellers.
3. They monitor influential book review and promotion platforms such as the New York Times, NPR, national network talk shows or major blogs, and try to stock and feature titles that are receiving big marketing buzz.
4. They talk with their counterparts at the publishers and distributors to seek out recommendations for upcoming or existing titles that deserve promotion. At Smashwords, retailers ask us for recommendations. They want to know what's breaking out at other retailers that hasn't broken out at their store yet. They're looking for titles that can break out with a little promotional love. Since Smashwords distributes to multiple retailers, we're able to compare sales trends and make such data-driven recommendations. This is an advantage of using a distributor to reach multiple retailers.
5. They'll look at the author's entire catalog of available titles. If the promotion of one title is likely to lead to follow-on sales of other titles carried by the retailer, then that author becomes a better candidate for promotional love.
6. They maintain merchandising calendars around which they build special promotions. Examples include Mother's Day, Father's Day, Christmas, Halloween and Valentine's Day.
7. They monitor social media. If they see authors are aggressively promoting their books at the given retailer's store, and those promotions are yielding results, the retailer is more likely to step forward and give the author added promotional boost.

Although indie authors are beginning to attract increased merchandising favor from the retailers, it can still be a challenge to receive such favor. The merchandising managers don't have the time or ability to field 50,000 pitches a week from authors. This is why they rely on the aggregated, data-driven knowledge of bestseller lists, customer reviews and recommendations from publishers and distributors.

What can you, the indie author, do to earn the attention and good graces of a merchandising manager? Here are a few tips:

1. **Earn it with sales results at that retailer** – Promote that retailer on your blog, website, Twitter and Facebook. If you integrate promotion of your retailers into all your ongoing promotions, your name will become more familiar to the merchandising managers at each retailer.
2. **Never bad-mouth your retailers** – Visit virtually any of the major online message boards frequented by writers and many author blogs, and you'll often find writers complaining about one retailer or the other. It's almost as if some writers adopt a personal motto of, "I complain, therefore I am." Maybe they're upset that they sell better at Amazon than they do at Barnes & Noble or Apple, or they think one store has better discovery than another, and so they cast aspersions against the other retailers. Don't do that. The merchandising managers browse these boards. Such whining shows up in their Google alerts. The ebook retailers are not monolithic machines. They're staffed by real people with real feelings, and if an author is bad-mouthing them, the retailer is unlikely to want to show the author or their books any favors. Stay positive and professional.
3. **Inform your distributor of big upcoming titles** – If Smashwords authors earned over $20,000 or more on their last Smashwords title through the Smashwords distribution network, I want to know about their next title before they release it.
4. **Aggregate your sales with a single distributor** – If you're using multiple distributors to reach multiple retailers with different books, you might make it more difficult for your distributors to recommend you for promotional love to their retailers. Consider consolidating your books at a single distributor. If you're not using Smashwords, use another distributor. At Smashwords, since we aggregate sales data for our authors across multiple retailers, we have a unique vantage point from which to spot true bestsellers, or books that are breaking out at one retailer that could break out at another. We use our aggregated bestseller data to develop recommendations for our retailers. If authors are not distributing a title through our network, or not using us to reach all the retailers, our automated systems don't know about their sales outside our network and therefore can't point out these titles to our retail partners.

Remember, promotional love from merchandising managers is difficult to obtain, but you should always work to earn and deserve it.

Secret Fourteen

Patience Pays

In the traditional print world, your new book has only two or three weeks to start selling before it's forced out of print when retailers pack up the books and ship them back to the publisher for a full refund.

With ebooks, you're under no such artificial deadline.

Ebooks can and do develop differently over time. Ebooks are immortal. Online ebook retailer shelf space is unlimited. Ebooks never go out of print or lose distribution unless the author or publisher willingly decides to remove a book from distribution.

Limitless shelf space means your book is always available for discovery. It also means you have the time necessary to build your sales and audience over time. Your sales can start off small then gradually build over time as readers start discovering and enjoying your book.

Shayne Parkinson, a best-selling Smashwords author of historical fiction, first published her books at Smashwords in 2009. In her first year, she sold very few books, yet in each subsequent quarter and year, her sales gradually increased, and then in 2011 she broke out. As I write this in 2012, she's now selling more books each day than she sold in all of 2009. You'll find an interview with Shayne here at the Smashwords Blog: http://blog.smashwords.com/2012/02/smashwords-author-profile-shayne.html

Countless other Smashwords authors have enjoyed the same slow-build phenomena.

As I mentioned in the distribution secret earlier, it's also important to realize that ebooks often break out at different retailers at different times. Smashwords author Ruth Ann Nordin broke out at Kobo a year before she broke out at Apple. Give your books time to plant roots at each retailer. Don't succumb to exclusivity and never remove your books from retailers; otherwise you'll destroy sales rank and preclude any chance of random breakouts.

All too often, I've seen impatient authors remove their books from certain retailers after a few weeks or a few months because they were dissatisfied with sales. When you remove your book from a retailer, you're not punishing the retailer; you're punishing yourself and punishing your potential readers. Never take deliberate steps to limit your book's future potential.

Think of each book and each retailer as an asset – a fruit tree perhaps – that will yield fruit for you over the long term. Give your book time to plant roots and develop a solid base of reviews. Market your book. Promote all your retailers in your marketing on your website, blog and social media. Give readers the option to shop where they like. Make it convenient for them by offering direct hyperlinks to your book's listing at each retailer.

At Smashwords, we've observed many situations where a book sells poorly for months, and then suddenly takes off.

The aforementioned Brian S. Pratt offers one such example. In his first quarter at Smashwords in 2009, he earned a sum total of $7.82. While other authors with less conviction or confidence might have given up, Brian persevered. Each quarter his sales gradually increased, and then in 2010 he broke out.

In 2011 Brian earned over $100,000, and he continues to perform well as I write this in 2012. Not bad for someone who just a few years ago, according to his interview at the Smashwords blog – http://blog.smashwords.com/2010/12/smashwords-author-brian-s-pratt-to-earn.html – was living near the poverty line as a single father of three.

Secret Fifteen

Understand Different Sales Behaviors

As I mentioned earlier, in the old world of print publishing, once a book landed on the shelf of a retailer, the death clock started. If your book didn't start selling immediately, you were pulled from distribution.

Ebooks develop differently. As readers sample, purchase and review your books, your books become more discoverable to even more readers (see the previous secret on algorithms).

I've observed that ebooks follow one of four common sales behaviors, which I have categorized below:

1. The Invisible Book – The invisible book rarely sells anything. Readers ignore it. Invisible books are stuck in the mud. Because they're not selling, they don't benefit from the retailer's automated merchandising algorithms. Readers are reluctant to take a chance on them. Most books that fall into the invisible book category usually face one or more of the following problems: A) Lacks a critical mass of reviews at retailers or has only poor reviews. B) Poor cover design. C) Poorly edited. D) The story (or the information, if non-fiction) is weak. E) The book is improperly priced. F) The book is improperly categorized. G) The book isn't distributed to the major retailers.

2. The Slow Boil – A slow boil book might sell a few copies each day. It usually gets good reviews, but the book isn't yet sparking the reader excitement necessary for passionate word of mouth. Most breakouts start as slow boils, or they revert back to slow boil after their breakout subsides. Slow boil is a great place to be. Slow boilers generate great annuity streams for their authors, and are also the most likely to experience unexpected breakouts.

3. The Slow Builder – This type of book usually starts off as a slow boil, and then starts building over the course of several days, weeks or

months. Slow builders become stronger sellers over time as more readers discover them through reviews and word of mouth. Slow builders usually receive excellent reviews. The merchandizing algorithms will often pick up the slow builders and propel them to the next phase, the breakout.

4. The Breakout – Behind every breakout is a great book. Breakout books are the ones you can't put down, and after you finish them you want to recommend them to everyone who will listen. The breakout book seems to come out of nowhere, though as any bestselling author will tell you, they come after years of hard work and obscurity. Breakouts and future breakouts first climb the bestseller lists of the book's specific genre, category or subcategory at one or more retailers.

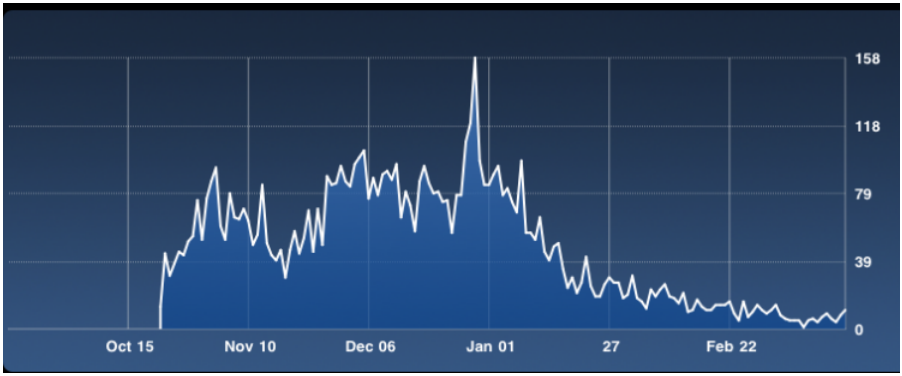
Within their genre they might go from the top 100 to top 40 to top 10, and then later they might break out in the overall store-wide bestseller lists. As they grow in the rankings, they become more visible to customers who use bestseller lists for discovery. They also get a boost from the *also bought* algorithms. One characteristic of the breakout is the sudden and rapid rise in sales rankings. Some breakouts hit the charts within days of the book's release, and others may start as a slow boiler, then graduate to a slow builder, and then suddenly surge in the rankings.

What causes the breakout? It's usually a combination of factors such as an excellent book that gets great reviews, strong sales momentum (a.k.a. "velocity," which means a swarm of purchases in a short period of time), the release of another title by the same author, a pricing promotion, and (surprise surprise), strong sales. Sales lead to more sales because books that sell are merchandized more heavily by retailers via their *also bought* algorithms. Other positive contributing catalysts may include author marketing, press mentions, or a retailer promotion. Oh, and let's not forget luck.

Most ebook sales patterns fall into one of the above, and books often shift from one pattern to the other. We've seen multiple examples where a book's sales will start out slow and then build over the course of many months before experiencing a sudden breakout. I've also seen examples where a price change, or a new cover image, or an improved book description, can bump sales.

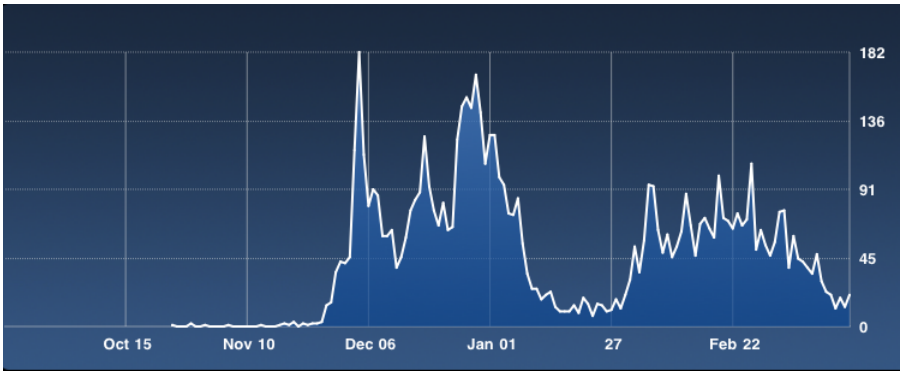
Below are some sample sales charts from the Apple iBookstore, a Smashwords retailer. All the titles listed below sold between 4,000 and 6,000

copies within a period of 26 weeks or less. Each point on the graph plots daily sales. The right side of the graph lists the sales level.



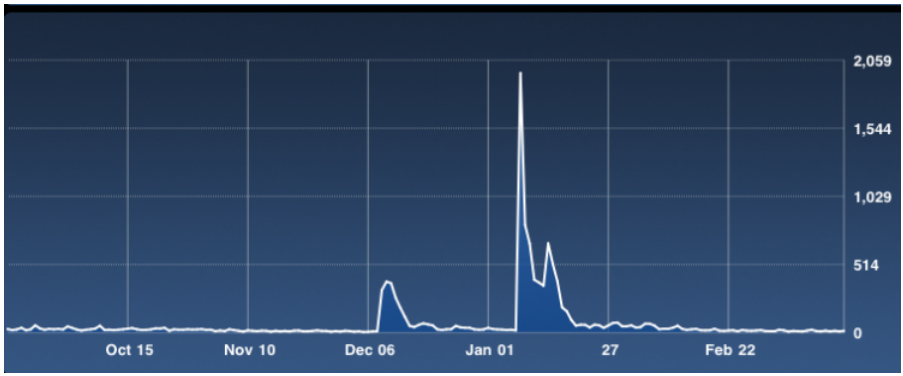
Above you see a quick build, followed by retrenchment, followed by further building, then a breakout, then a decline to slow boil. This title is a good candidate for breakouts in the future, possibly spurred on by special promotions, or the release of new titles by the author.

This title above immediately broke out after launch, and likely dominated the bestseller lists for its category for several days. Then the title fell to a slow boil. Even when a title is only selling 10 or 20 copies a day, like this one, the sales numbers can build up quickly. This title is a great candidate for further breakouts.



This chart shows the title was practically invisible for over a month before some event caused a rapid breakout. Imagine if this was a traditionally published print book. By weeks two or three, some retailers would have already packed up the book and returned it to distributors, possibly preventing such a breakout. In this title's case, its breakout was followed by a retrenchment, followed by another breakout, followed by a drop to slow boil, followed by another breakout then decline. The spikes could have been caused by author marketing, price promotions, the release of new titles, or any other number of random factors. This title is likely to be a solid performer for many years to come.

This title was invisible for a month, then graduated to slow builder, then proceeded on a steady march until breakout, then began a steady decline. A title with a sales behavior like this (as is the case with most of the titles I'm showcasing in these charts) is likely to remain a steady seller for many years to come, with random punctuated spikes. Most titles that spike get great reader reviews (4-5 stars).



This title was a slow boiler, selling around 5-10 copies a day, and then it spiked, then went back to slow boil, then experienced a major spike where it was selling over 1,000 copies a day for several days. The impetus for the bumps? The first bump came after press coverage in a major newspaper, and the second bump came after Apple featured the title in a promotional email. Several Smashwords authors have enjoyed promotional love from various Smashwords retailers. As you build your author brand through your marketing, and as your book begins to show solid sales potential, retailers are more likely to give a title promotional boosts.

This title was a good solid slow boiler before it suddenly started building to a breakout. One advantage of the slow boil is that the book accumulates reviews over time, and if the reviews are favorable, the title becomes more predisposed for breakout once other beneficial catalysts kick in, such as the release of another title, the free promotion of another title, press coverage, or even the velocity caused when multiple members of a single ebook reading group purchase copies in a short period of time. The chart above is actually for Ruth Ann Nordin's *An Inconvenient Marriage.* The spark for the breakout was a price reduction coinciding with the release of a new (different) title, and at least one of her other titles going to FREE.

We've observed that some authors will inexplicably sell more books at smaller retailers than they do at large retailers. We've also seen examples where books will break out at different retailers at different times. If you remove your books from distribution, even for a few days, it will destroy your sales rank, and this will reduce the possibility of the random breakout, or the possibly of graduating from slow boiler to slow builder, or slow builder to breakout.

Ruth Ann Nordin, a popular romance author at Smashwords, offers a great example of how some books break out at different retailers at different times. Her ebook, *An Inconvenient Marriage*, broke out in early 2010 as a bestseller at Kobo, which at the time was a fraction of the size of larger retailers. At the same time, the title was also available at the much larger Apple iBookstore, where it sold far fewer copies (you can see this in the image above). After one year of slow boil at the Apple iBookstore, *An Inconvenient Marriage* suddenly broke out to become the #1 title in Apple's romance category (image above). Following the breakout (and not shown above), the sales fell for a period of time and returned to slow boil, only to break out again, then a bounce back to slow boil, where it continues to be a steady seller.

Trust Your Customers and Supply Chain Partners

We writers, especially those of us who write fiction, are adept at imagining things that don't exist, or worrying about things we shouldn't worry about. Control the urge.

In the old world of print, your publisher would ship several thousand copies of your book to retailers, and whatever wasn't returned was considered sold. Physical print inventory is easy to track and verify. The book's either there or it's not.

Ebooks are different. The ebook supply chain (how your book gets from you, to your distributor, to the retailer, and to the reader) is built on trust and faith.

Let's look at the most common trust issues we see from authors and publishers. Along with each issue, I'll share what you can do to mitigate the risk. I'll also tell you if the risk is even worth worrying about.

Retailer and Distributor Trust Issues

With ebooks, your distributor ships a single digital file of your book to the retailer, and the retailer duplicates a new digital copy each time a book is sold to a customer. At the end of each month, the retailer reports those sales results back to your distributor, and then 1-2 months after the sale is made, pays your distributor what's owed. There's no physical paper trail. You must trust that the retailer is accurately tracking sales, and accurately reporting sales back to your distributor, and you must trust that your distributor is accurately reporting sales to you.

Without trust, authors would never allow their books to be distributed anywhere, and as a result would never reach readers. Realize that your supply chain partners want to earn and deserve your trust, and the best way to earn trust is to be trustworthy. Every retailer or distributor understands that the fastest way to go out of business is to compromise the sacred trust that binds the collective fates of the content owner (author), the content distributor

(Smashwords) and seller (retailer). If you work with a distributor, the distributor is usually selective about retail partners and will only work with those deserving of your trust.

Trust but Verify

Trust need not mean blind faith, however. Almost once a month, we'll receive an inquiry from an author – usually an author who is not selling well – who suspects that the retailers are underreporting sales. Our advice is always the same: Trust but verify. Play secret shopper. Purchase your ebook at each retailer, or ask a friend or family member to do so, and then save the electronic receipt so you can note the date, time and amount of the purchase. Then wait for that sale to flow from the retailer to your distributor, and from your distributor back to you. On the rare chance you do discover a discrepancy, report it to your distributor immediately so the distributor can launch an investigation with the retailer. If there's an error, retailers want to know!

The above test only works if you're not already selling multiple copies every day at each retailer.

Will the Retailer Be in Business Tomorrow?

The ebook market is now in an exponential growth phase, and this means hundreds of new companies are trying to get in on the ebook gold rush by offering ebook services to authors, publishers, agents and readers. Once the ebook market's growth slows (and it will slow in the next couple of years – markets cannot grow at over 100% per year forever), there will be business failures. Weaker ebook retailers and distributors may fail. Some of these failed companies might owe you some unpaid money when they go belly up.

What can you do? Make your best effort to choose reliable, profitable business partners. You want your supply chain partners to be profitable, because if they're not profitable, they won't remain in business. If you're not sure, ask them. In case you're wondering, Smashwords has been profitable every month since September, 2010!

Beyond carefully choosing your distribution and retail partners, don't worry about it. Know that the day will come when someone goes out of business owing you a month or two of unpaid earnings. When such a day comes, put it in perspective. Be satisfied in the fact that because you trusted all your distribution and retail partners, you enjoyed many years of earnings you never would have otherwise received had you never trusted them in the first place. Remember the quote from Alfred Lord Tennyson: "Tis better to have loved and lost than never to have loved at all."

Allow me to share a real example of what happened when one publisher let his irrational paranoia get the best of him:

Back in 2010, Smashwords was distributing about 30 titles from a small independent publisher to Barnes & Noble. The publisher's titles were selling reasonably well every day.

It was reported in the news in early 2010 that B&N was considering putting itself up for sale. This publisher read the news and immediately concluded that if B&N was putting itself up for sale it must be facing financial difficulty, and if it was facing financial difficulty it would therefore fail to pay him for his book sales. The publisher demanded Smashwords immediately remove all his authors' books from B&N. I tried to talk him out of it but he insisted the titles be removed.

This publisher's paranoia led to an irrational decision that harmed the publisher and his authors. Barnes & Noble was then, and remains today, a reliable retailer. In the two years that followed his rash decision, Smashwords' sales at B&N grew more than forty-fold as B&N achieved incredible success in the ebook market. As I write this in early 2012, I just checked B&N to see if his titles made it back, possibly through another distributor. No, they didn't. I feel really sorry for the authors who allowed this publisher to squander the potential of their titles. The moral of this story? If you limit distribution due to lack of trust, you'll limit your success.

Fear of Customer Piracy

Some authors refuse to release ebooks because they fear customers will pirate them and share them with their friends. If you practice such paranoia, you'll limit your success.

Successful authors put their works out there and trust their readers to honor their copyright. Even if readers do share your books with their friends, consider it low cost marketing, because they're introducing you to new fans you might not have reached otherwise.

At Smashwords, we don't infect our books with DRM (Digital Rights Management) copy protection schemes. We believe copy protection is counterproductive, because it treats honest, law-abiding customers like criminals by limiting their ability to enjoy your book.

A DRM-free ebook is more valuable to readers than a DRM'd book. If you're serious about selling as many books as possible, you want to please readers.

If you don't trust readers to honor your copyright, then you will be forced to limit your distribution to only those stores that infect your books with DRM.

Also consider that piracy is not the big boogeyman the fear mongers (and DRM technology providers) would have you believe. Often, piracy is a result of the author or publisher creating an unsatisfied demand for their books. The most powerful method of combating piracy is to make it easier for your customers to acquire an affordable legal copy at their favorite retailer rather than searching it out from an illegal underground pirate site.

Some best-selling authors actually encourage pirates to steal their books because they view piracy as a form of free marketing. True pirates, the one who will only read stolen books, are unlikely to ever become a paid customer anyway, so they don't represent a lost sale. Yet they can still add value by contributing to the positive word-of-mouth buzz for your book.

If my words of advice above don't allay your fears, I encourage you to view the YouTube interview below with author Neil Gaiman. Gaiman shares how his views about piracy changed over time. At first, he was upset to learn readers were pirating his books. Then his opinion changed. "You're not losing sales by having stuff out there," he says. Access the video here: http://www.youtube.com/watch?v=0Qkyt1wXNlI). **Note:** If your e-reading device or e-reading app doesn't support external hyperlinks to video, please go to YouTube and search on "Gaiman on Copyright" to view the video.

In November, 2010, at the Writers for Change Conference in San Francisco, bestselling author Kevin Kelly told the audience he views piracy as a tax on success, a tax, he said, that he gladly pays (http://blog.smashwords.com/2011/03/readers-authors-and-librarians-against.html).

I know at least two best-selling authors, one of whom is Paulo Coelho, who are known to deliberately seed free copies of their books at the pirate bulletin boards. They view it as cheap marketing. I'm considering doing the same as an experiment with my novel, *Boob Tube*.

Fear of Plagiarism

Plagiarism is when someone steals your writing and tries to pass it off as their own. They might even alter your text a little to pass it off as their own. Plagiarism is extremely rare, but it does happen. Over the last four years, we've discovered several cases.

The most commonly plagiarized work is erotica, and primarily for content where the original writer once posted it on free erotica websites such as Literotica. The scammers will scrape the Literotica content, format it into an ebook, and publish it under their own name.

In 2011, we discovered about a dozen instances where criminals had stolen Smashwords ebooks our authors had priced at free. The criminals then republished them as ebooks at Amazon. As alarming as this may sound, it's really difficult for the criminals to go undetected for very long, and most of them are caught before they earn a penny from their activity.

On the internet, where much of the text of your book (or at least the free sample portion) is transparent and indexed by search engines, it's relatively easy for you to discover if your book is plagiarized.

The trick? Go to Google.com/alerts and create several Google alerts. If you've read my free *Smashwords Book Marketing Guide*, you already know how to use Google Alerts as a marketing tool. Here, you can use it to enforce your copyright. Google Alerts is a free news and web clipping service that emails you alerts on your choice of search terms or phrases. Create alerts for your name and your book title, and then create alerts for multiple text strings of six to seven words. Surround the text string with quote marks "like this" to reduce false reports. Take the text strings from near the beginning of your book, and then from a couple of random spots elsewhere in the body. For example, from the previous sentence, I could create a Google alert for the text string, "from near the beginning of your book" because that exact string of text is unlikely to appear anywhere else but within my book. The moment that text string appears anywhere, you'll receive an email alert from Google.

Platform Building Starts Yesterday

If you wait until the book launch to start building an author platform and marketing your book, your marketing will be less effective.

The moment you decide to write a book, you should start marketing *you*, the author. The author is the brand. Like any brand, you want to increase your brand's popularity, and you want to build positive perception of your brand among potential readers (the people who will purchase your book) and partners (the people who can connect you with more readers).

You market your brand by building a platform. What's *platform*, you ask? Your platform, simply put, is your ability to reach readers and partners. Consider platform a measure of your fame, influence and reach.

Multiple elements contribute to your platform. If you blog, and thousands of people are reading you each month, your blog is part of your platform. If you participate in social network services such as Facebook or Twitter, these social networks are part of your platform. If you're a frequent speaker at conferences and seminars, that's a platform. If you maintain a mailing list of fans, that's a platform. If you actively participate in writers groups, professional associations, or online message boards related to your subject, these are all part of your platform. If you're fortunate enough to be the subject of press coverage – both mainstream media and blogs – that's platform too.

Take care how you build your online presence. Don't spam your social media friends and followers with solicitations for your book. Remember that everything you do – including your marketing – becomes a direct reflection of your brand. Project a brand that sends the right message. Just as you wouldn't put a shoddy cover on your masterpiece, don't practice shoddy marketing.

Project positivity. Some authors undermine their brand-building by spewing caustic negativity out into the world. Whether on their blog or in online forums, these complainers are always seeing the worst in others' intentions.

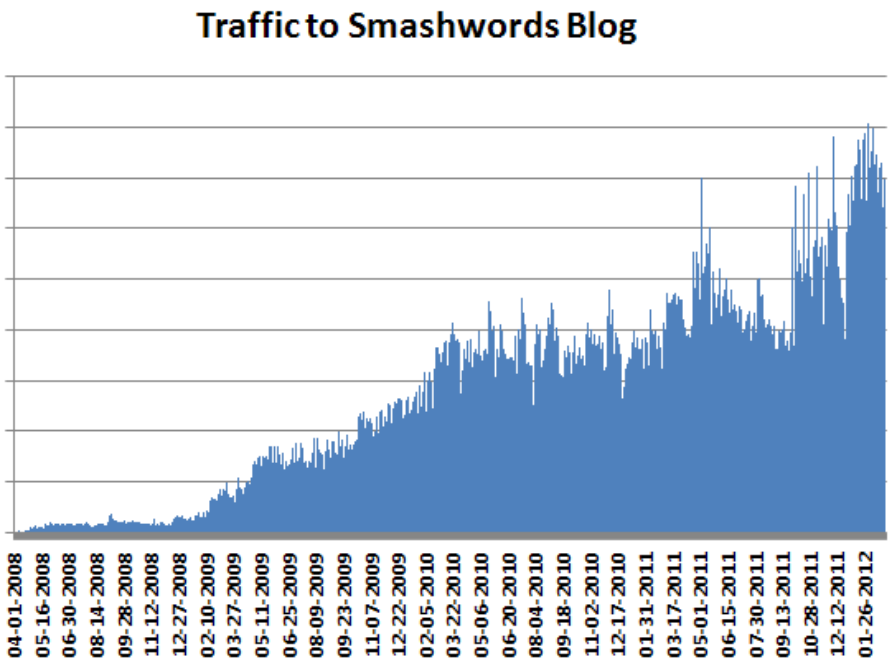
Their fellow authors and readers might fear them, but they won't respect them. Fellow authors will be less likely to go out of their way to help these negative authors when they need a hand.

In an interview at the Smashwords blog, New York Times bestseller Jonathan Maberry shared this advice about how authors should conduct themselves online:

> *Think about a party. If there's someone who is bitching and moaning and someone else who's getting folks to laugh and loosen up, which way do you drift? If a kid in a playground is constantly bitching about the quality of the toys, and another kid has turned a cardboard box into a sideshow funhouse, who's getting more attention? Who's going to be remembered in a positive way?*
>
> *And, even if you are a naturally cranky, snarky, sour-tempered pain in the ass, for god's sake share that with your therapist or priest. When you go online to promote yourself and therefore your products, try not to actually scare people off your lawn.*

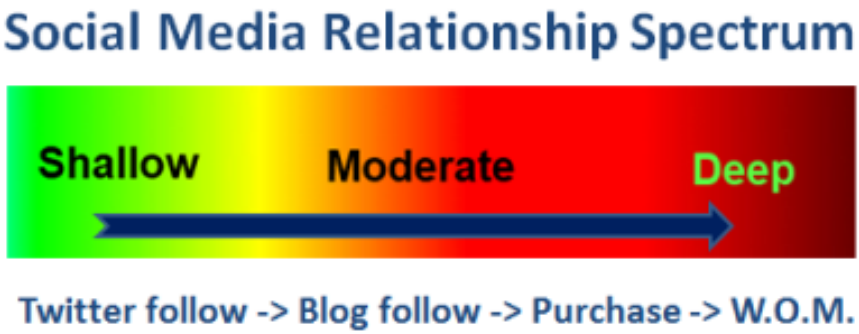
For most of us, our platform will start off small with limited reach. We all start off with zero friends on Facebook, zero Twitter followers, and zero readers of our blog. However, if you keep at it and you add positive value to those around you, word will get out about you, and others will want to connect with you, spread your message and help you build your platform.

As you can see from the graphic below, for much of the first year of the Smashwords blog in 2008, I was lucky to get any readers each week. Slowly, word got out about the blog, and people started subscribing to it, reposting it, and blogging their own reactions to my posts. After almost a year of doldrums where it seemed as if no one was paying attention, the blog's readership started growing. Today, almost four years later, it reaches thousands of readers each month.



In 2009, once word started getting out about my blog, I was invited to contribute to the Huffington Post's book section (my thanks to David Wilk for the introduction), and this increased my platform's reach further. Think of platform building as building a fire. Each platform-building activity adds another twig or log to the fire. It's really tough to start a fire with a single large log, so you start small. Smaller wood (kindling) burns more easily with less effort. As you add more kindling, the fire burns hotter and brighter. Once you reach a critical mass of heat, you can add larger logs, and then those logs start throwing off ever-greater heat, allowing your fire to burn hotter and brighter. Each platform-building activity you do well will contribute to the growth of your entire platform. Success enables more success.

You can measure your relationships with your target readers along a spectrum. Please see the image below. At one extreme end, you either have no relationship or it's a casual, shallow relationship. I don't mean "shallow" in the derogatory sense. I just mean it's not yet a deep relationship. On the other end of the spectrum, the readers know you, they love you, they buy everything you write and they recommend your work to your friends.



Your connection with your audience may start as passive and shallow, such as someone following you on Twitter or friending you on Facebook. Over time if you share useful information or insight with those who follow you or connect with you, they will spread your message and recommend you to their social circles. Maybe they'll follow your blog, or attend your talks, or interview you for their blog, or retweet your tweets. Maybe they'll even buy your book when it comes out, and recommend it to their friends.

How do you build platform? It's easier than you might think. Start with social networking, both in the real world through local writers groups, and in the online world through online writers groups, mailing lists and special-interest message boards.

Cultivate your social network. Smart social networking is not about attracting thousands of followers on Twitter and Facebook so you can spam them with solicitations for your book. No one wants to be sold at. Instead, the secret is to be useful to those around you.

For more platform-building ideas, check out my free ebook, *The Smashwords Book Marketing Guide*. It's available at all major ebook retailers, and it provides over 30 marketing ideas you can implement at no cost.

Next, educate yourself about the practice of Public Relations. Public relations is how you generate free press coverage, and it's one of the most powerful platform builders.

PR builds awareness, creates perceptions, and can create urgency for readers of the story to take a specific action such as purchasing your book, or subscribing to your blog. A single well-placed story that features *you* can expose you to an audience of hundreds of thousands of people.

The *Smashwords Book Marketing Guide* contains some introductory PR tips for authors. If you're interested in a more advanced exploration of public relations, check out my short ebook, *The 10-Minute Public Relations Checklist* ($5.99 at all ebook retailers). It teaches you how to leverage PR as a strategic tool to accomplish virtually any business objective. Although I didn't

write it specifically for authors and book marketing, several authors and students of PR have found it useful.

Secret Eighteen

Architect for Virality

Are you familiar with the term ***virality***? It's one of the most powerful drivers of readership, and it's what every author should aspire to achieve.

Virality refers to the concept by which enthusiasm for your book passes from one reader to the next. Think of the stomach flu virus (sorry, I know that's not a pleasant thought). If you cough on people, they catch your virus, then pass it to their friends and family, and so on.

Virality is all about word of mouth. Thanks to the reach and immediacy of social media, word-of-mouse is like word of mouth on steroids. If someone loves your book and tweets a recommendation to their 10,000 followers, word spreads fast.

Online social media eliminates geography as a barrier to word of mouth. With online social media, news of books worth reading can spread to hundreds of thousands of readers in minutes.

As an author, you can take several steps to maximize the viral word-of-mouth potential for your book.

The first thing you should do is implement *The Secrets to Ebook Publishing Success*. These secrets are all about helping you connect your book to readers.

Understand that your readers will determine your ultimate success as a writer. Books have always been a word-of-mouth business, and always will be.

Books have the power to touch readers deeply. When we read a book we love, we wear that book on our sleeve. It becomes an extension of who we are. If a book touches our soul, or brings us great happiness or satisfaction, we feel inclined to share the book with everyone we know and love so they can share the same joy. This is the viral potential you want to enable.

How can you maximize virality? Make it easy for your book to spread by eliminating all the friction that prevents readers from discovering, sampling,

purchasing and enjoying your book.

Examples:

- If your book's not fully distributed, it's not available for serendipitous discovery and purchase. Even if customers know to look for your book, they'll be frustrated if they can't find it at *their* favorite retailer.
- If your book is poorly formatted, or not available in all the different ebook formats required by the different e-reading devices, you limit accessibility.
- If your book is over-priced, you limit affordability, which limits accessibility.
- If the book is filled with embarrassing typos, you'll limit enjoyment.
- Ask yourself, "How can I make my book as easy as possible to discover, purchase and enjoy?"

The First Reader

Understand the power of what I call your "First Reader." Each time we connect our book with a reader, possibly by giving a speech, doing a book signing, running an advertisement, making the book discoverable at a retailer, or simply meeting a potential reader in the supermarket checkout line, that person is a First Reader. Somehow, through your marketing and distribution smarts (or personal charm), you convince that person to take a chance on your book.

Obviously, with an aggressive marketing campaign, you will reach many First Readers.

Ultimately, the success of a book depends upon those First Readers' reactions to the book. If they enjoy your book, they'll recommend it to their friends.

The Viral Dream

The ideal scenario is what I call The Viral Dream.

With the Viral Dream, your First Reader loves your book so much he or she convinces others to purchase it. In the graphic here, I show what happens if each First Reader convinces two other people to purchase it. Those two people love it so much they each encourage two more people to read it, and so on.

The Viral Dream is the mechanism by which books go on to become blockbuster bestsellers. It's all about the reader. As I mentioned earlier, your readers are in control of your destiny. They decide if your book is worth reading and worth talking about.

Few books, possibly only one in 10,000, will achieve this degree of the viral dream, because with the true Viral Dream you only need to convince one person to read the book and then viral word of mouth takes over. If the above pattern plays out 20 times, you reach 1 million readers (try it yourself: pull out a calculator, multiple 1 X 2, then press the "=" sign, then click "=" 19 more times).

The example above represents an oversimplification of virality. Ultimately, just as with biological viruses, the virus (or the book) reaches unreceptive hosts and the spread slows or stops.

The most important viral factor is what some people call the viral coefficient, which measures how many additional people purchase the book after the First Reader. A viral coefficient greater than 1.0 will ultimately lead to the viral dream, because it means the book will continue spreading. Even a viral coefficient of greater than 1.0 is technically impossible to sustain forever because there are ultimately only so many readers in the world.

If you understand the power of the Viral Dream, it will help you invest your

limited time, efforts and resources more wisely.

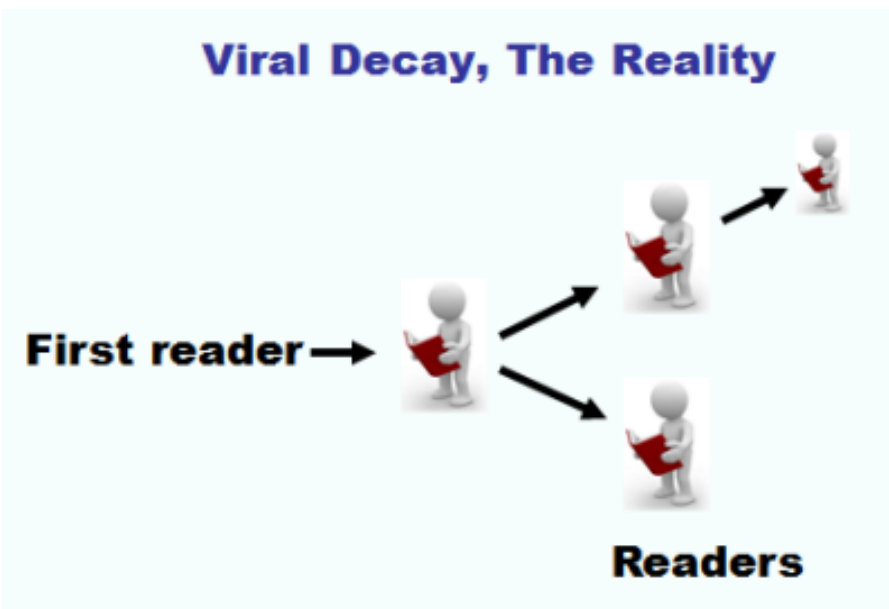
Question: If given the option to invest $2,000 in a professional book edit, or to invest it in marketing, which would you choose?

Answer: The answer, of course, is editing. Spend your best effort making your book as great as possible, because a great book sells itself through viral word of mouth. Marketing is important, but even the best marketing can't trigger the Viral Dream. Marketing gets you First Readers, but only the best book can unleash the Viral Dream. Your book must ultimately market itself by resonating deeply with each reader.

Most of us will never achieve the Viral Dream. However, by aspiring for it, you will become a better author and you will reach more readers.

Viral Decay

A more realistic viral opportunity is what I call Viral Decay.



In Viral Decay, each First Reader successfully convinces others to purchase the book as well, though over time the word of mouth diminishes. In viral decay, your book would have a viral coefficient of less than 1.0.

In the simplified graphics above, I show what happens if your first enthusiastic reader (possibly your mother, brother, sister or social network friend) convinces two other people to buy the book, but out of those two people maybe only one feels enough passion for the book to convince another person to buy it.

In the above scenario as I modeled it, one First Reader becomes a total of four readers, and then the viral spread ends. This is actually a great result.

In the above example, you'd have a multiplier of three. It means for every reader you can convince to try your book, you'll get three additional sales. You can sell a lot of books with a multiplier of three. With a multiplier of three, marketing becomes very important, because marketing hooks your First Reader, and your First Reader gets you more readers.

If you're like most talented authors, you're operating under some measure of Viral Decay. The higher your multiplier, the more marketing leverage you will have, because marketing gets you First Readers, and First Readers spawn the multiplier.

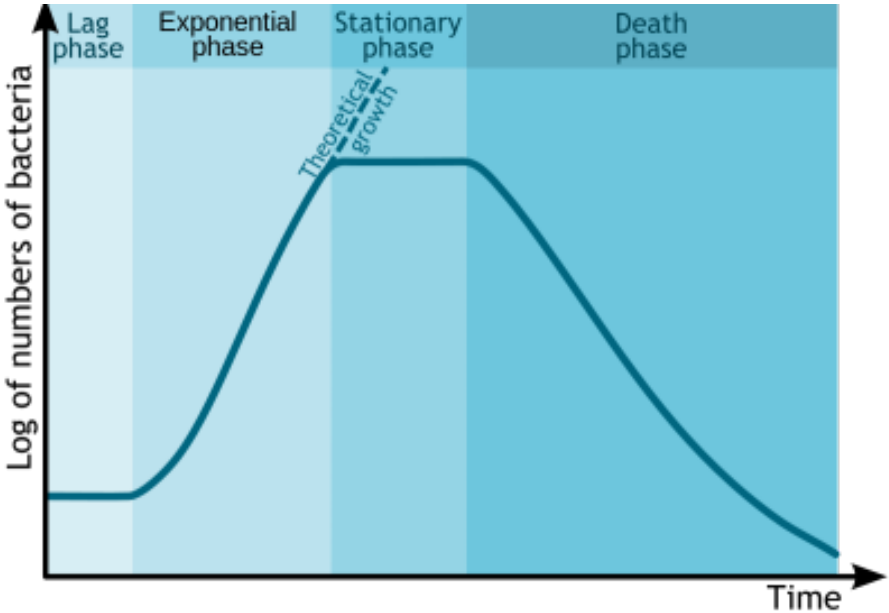
But again, a reality check. Most of us won't achieve a multiplier of three. The rest of us will probably achieve multipliers below 1.0, meaning for each First Reader, their word of mouth will ultimately spawn, on average, less than one additional reader.

You may also discover it's not possible to achieve good virality. Readers are fickle. Just because we authors love our books doesn't mean readers will love them too.

At the risk of mixing too many biological metaphors, let's take a look at the biological model of bacteria through which we might better understand how your book might spread from reader to reader. Bacteria don't have the sexiness of viruses (when was the last time you heard an author say she wanted her book to go "bacterial"?). As with viruses, a bacterial organism must attach itself to a host upon which it feeds, and by feeding on the host, the bacteria gain the energy they need to replicate from one host to the next (books are nourished by the word of mouth of happy readers). When the availability of potential hosts is exhausted, the bacteria die off.

The chart below shows how bacteria grow in a confined environment of limited resources (hosts) upon which to feed. The *lag phase* is where the bacteria adapt to consume their food source. The *exponential phase* is when the bacteria start replicating as they feed on the ample supply of nourishment (happy readers and their word of mouth!). The *stationary phase* is when the rate of growth equals the rate of decline, a sign that the bacteria have consumed most of the available nourishment (i.e. all the immediately accessible readers in a community or bookstore). The *death phase* shows how the bacteria die off when the food is depleted (i.e. your immediately reachable

market has already read your book).

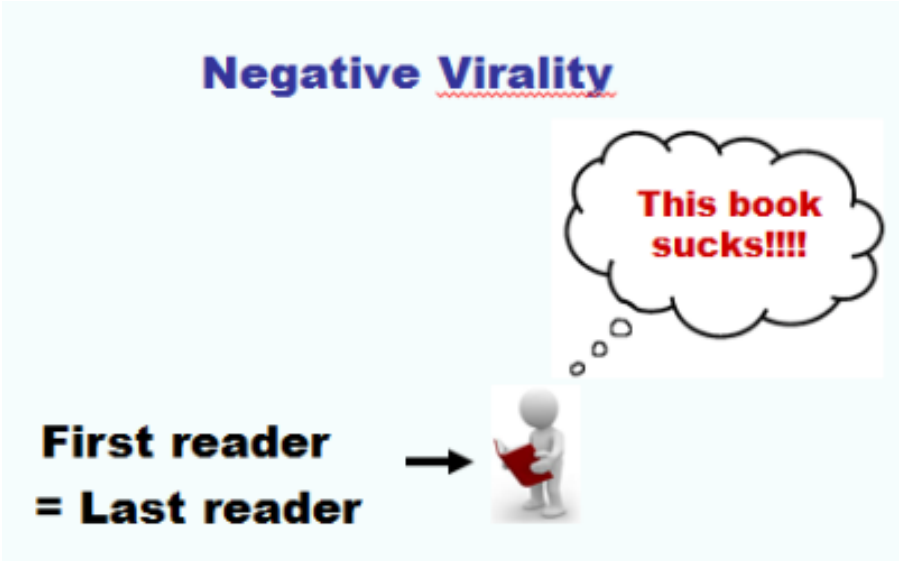


Source: http://en.wikipedia.org/wiki/Bacterial_growth

Luckily, ebooks are immortal. Since you'll never fully saturate your target market, and new generations of ebook consumers are coming on line every month, it's possible to achieve sales breakouts, followed by drops, followed by subsequent breakouts again when your books are exposed to new readers. This sales behavior is visible in the sales charts I shared earlier in Secret #15.

Negative Virality

The final form of virality is what I call Negative Virality. This is what happens when your First Reader becomes your **Last Reader**.



Online ebook stores are filled with Negative Virality books. These are books for which the writer failed to honor the reader with a good read. These are the books that at best get angry, one-star reviews from customers who hated the book and felt mislead by the book description. These angry readers write negative reviews to warn other readers. Nothing can kill your book faster than a collection of all-negative reviews.

How do you prevent all-negative reviews? The simple (or not-so-simple) answer is to write a great book.

Most negative virality books were rushed to market before they were ready for prime time. Maybe the author didn't follow a rigorous editing and revision process (books get better with editing and revision!). In the case of fiction, the plot may be inadequate or inconsistent, the characters might not be fully developed, the dialogue might be poorly written, or possibly it's a great story but there are so many typos and grammatical errors that the reader can't tolerate another sentence.

In the case of non-fiction, maybe the book doesn't live up to the promise of your book description.

One secret to avoiding the big flop is to utilize beta readers. Find readers – preferably not family members or friends – who match your target readership. If you're writing a manual for auto mechanics, find auto mechanics to read a pre-publication draft of your book. Invite honest, critical feedback. Likewise, don't ask an auto mechanic to be a beta reader of your romance novel unless you know the mechanic enjoys romance.

Beta readers won't guarantee you publish a perfect bestseller, but they will help you avoid missing the mark completely. Seek out multiple beta readers, and consider their comments in the aggregate. Use their feedback to drive the

next revision.

The next chapter provides ideas on how to maximize virality.

Secret Nineteen

Tweak Your Viral Catalysts

What can you do to increase your book's virality? The answer is to examine your **Viral Catalysts**. A viral catalyst is anything that makes your book more available, accessible, desirable, and enjoyable to readers.

Think of your book as an object, and attached to the object are viral catalysts that act as beacons to draw readers toward your book. Imagine these viral catalysts as dials, levers and knobs you can twist, turn and tweak until you get the combination just right.

Below is a checklist of potential viral catalysts. If you optimize the performance of each catalyst, the overall impact will help you get that much closer to generating viral growth.

Viral Catalysts

- **Great cover** – This is the first impression you make on a reader. A great cover tells your target reader, "This book is for you!" A bad cover scares the reader away. Good cover design starts with you understanding your target reader. A great cover makes a promise to the reader. Take a look at the best-selling romance titles at Barnes & Noble, and study the covers. Then study the covers of the best-selling thrillers or mysteries. Then look at the best-selling self-help titles. Notice how each is different, and each has a different feel.
- **Great story (fiction) or information (non-fiction)** – Ultimately, if you don't write a great book your readers won't recommend it to their friends, and they're not going to give you a good review. Great story – 95 percent of the time the answer lies with the book. How can you make your book better? Does it need a full revision? Does it have

typos? Is the plot too weak? Do readers care what happens next to your characters? Is your writing crisp and clear? Is your plot satisfactorily resolved? You'll likely determine you need to tweak many small things to make a big difference.

- **Great title** – Like a good cover image, a good title helps draw the readers in by telling them, "this book was written for you!"
- **Great book description** – Once the readers have progressed past your cover image and title, they'll read the description, which is where you close the next stage of the sale. Convince them this book is for them so you motivate them to download a sample, or purchase, now.
- **Broad distribution** – The more places your book is available for purchase, the more discoverable it is. The more trusted retailers carrying your book, the better your overall sales will be.
- **Fair price** – Readers appreciate fair prices. They read for pleasure (fiction and non-fiction) and knowledge (non-fiction, and sometimes even fiction). If the value of the perceived pleasure or knowledge they'll gain from your book exceeds the purchase price, the book will be perceived of as valuable. If the book is priced too high, you'll reduce the perceived value of the book to them, and therefore diminish potential virality. However, there are potential exceptions to this rule. Some (but not all) indie authors who experimented with different price points have reported their book sold more units at $4.99 than at $2.99. Some but not all readers perceive lower cost books as lower quality, and therefore not worth their time. If you're targeting younger readers, they might be more price sensitive than more mature readers. Non-fiction, which is usually purchased to solve a problem or obtain a measurable benefit, can usually support higher prices than fiction. See Secret #25 below for more factors beyond price.
- **Professionally edited** – Good editing is about more than simply catching typographic errors (see the next item for more on proofing). Good editors will help you strengthen all aspects of your story. They'll help you strengthen all aspects of your book, including plot, character development, pacing, sentence structure, dialogue, and more. They'll help you address weaknesses that might diminish reader satisfaction.
- **Good proofreading** – It's impossible for writers to find all their own typos and grammatical glitches. This is why you need multiple proofreaders before you expose your book for publication. The more sets of eyes touching your words, the more typos you'll find.
- **Great marketing** – Most of the viral catalysts mentioned herein are really forms of marketing. They help you connect your book with the right reader. Your message delivery tools include the cover image, title,

description, price and reviews. Great marketing is grounded in honesty, not vapid hype. Don't try to market your book to readers who don't enjoy your genre or topic. For example, if you misrepresent your book and somehow convince a reader that your horror novel is a romance novel, you'll have an angry reader, even if you wrote an amazing horror novel. Market horror to horror fans, and romance to romance fans. When your target readers see your targeted marketing, their response should be, "This is exactly what I'm looking for!"

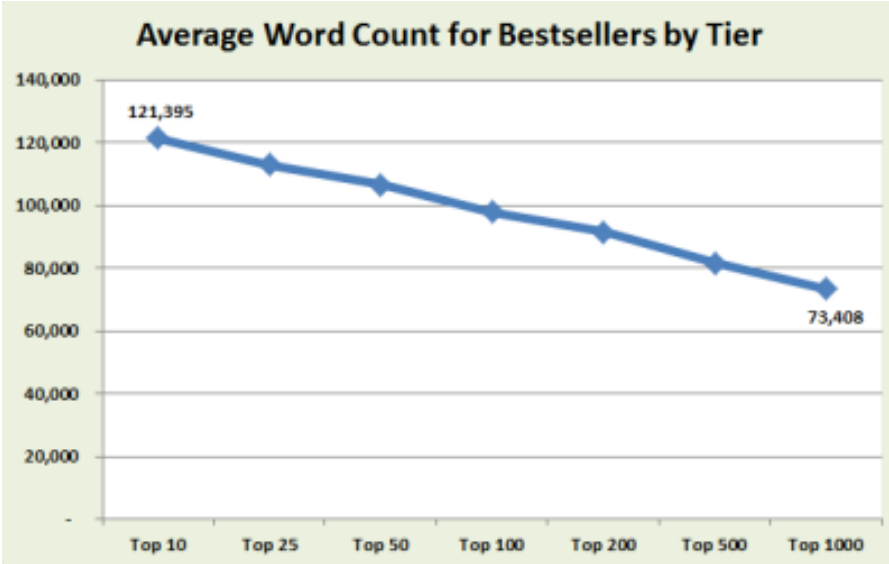
- **Social media enabled** – Do you make it easy for fans to share hyperlinks to your book across their social networks? Visit any Smashwords book page for an example (see image below). We make it easy for fans to post at-a-click hyperlinks to your book page on their social networks. Think of hyperlinks pointing to your book as virtual breadcrumb trails.

- **Sampling enabled** – Do you make it easy for readers to download free samples of your book? Most ebook retailers support this. You can also distribute partial samples on your blog. At Smashwords, authors can determine what percentage of the book is made available as a free sample. This makes it easy for readers to sample the start of your book before they make a decision to purchase. Make sure your sample grabs them!

- **Multiple formats** – The most common formats for ebooks are EPUB (used by Apple iBookstore, Barnes & Noble, Kobo, Sony, Google Ebooks and most other e-reading devices and apps except Kindle), MOBI/PRC/KF8 (Kindle), and PDF (good on personal computers), though there are multiple other formats as well, including .txt (plain text), HTML (online viewing and sampling), and RTF (for reading in word processors). The more ebook formats you support, the more

accessible your book is to multiple ebook reading devices (and therefore customers).

- **Quality formatting** – Good formatting and layout makes your book visibly pleasing to the reader, and easy to read. Read the free *Smashwords Style Guide* to learn best practices for ebook formatting (useful even if you don't yet use Smashwords for distribution).
- **Proper categorization** – Readers will often browse an online bookstore with no advance idea of which book they want to purchase. Most online retailers support dozens, often hundreds, of highly specialized categories and subcategories. By attaching good category metadata to your book, you make it easy for readers to find your book if it matches their unique taste. If, for example, they enjoy historical fiction, they'll click to Fiction, then click Historical, then drill down further to other subcategories of historical fiction.
- **Avoid DRM** – DRM stands for "Digital Rights Management." If a book has been DRM'd, it means the author, publisher or retailer wrapped the book in copy protection software that makes it difficult (but not impossible) for readers to illegally share, copy or pirate the book. On the surface, DRM sounds like a good idea, but dig deeper and you'll realize it's counterproductive. DRM treats your honest, law-abiding customers like criminals. DRM limits a customer's ability to enjoy your book. DRM limits portability of your book from one device to another. Customers should not have to install DRM software, or enter passcodes to simply read your book. DRM-free books are more valuable to readers because the book is more accessible to them. Most ebook retailers give you the choice to go DRM-free. All Smashwords books are DRM-free.
- **Customers prefer longer ebooks** – In April 2012, following an in-depth analysis of proprietary Smashwords sales data aggregated across all our retailers, we found conclusive evidence that on average, readers prefer longer ebooks over shorter books. View this and other data at http://blog.smashwords.com/2012/04/can-ebook-data-reveal-new-viral.html



- **Reading group guide** – Readers read in solitude, but enjoy talking about books socially. Create a reading group guide and place it at the back of your book. Propose thought-provoking questions and points of discussion. When a satisfied reader finishes your book and sees the guide, they'll be more likely to propose your book as the next read for their reading group.
- **LUCK!** – Luck happens when it happens, but it happens to all of us, eventually. If a reader stumbles across your book by accident, that's luck. If an influential book reviewer reviews your book, that's luck. Although you can't control luck, you can increase your odds of benefiting by luck by maximizing the effectiveness of the other viral drivers in this list.

Remember, you have multiple viral catalysts you can deploy, tweak, twist and turn until you find the right combination that maximizes your book's potential.

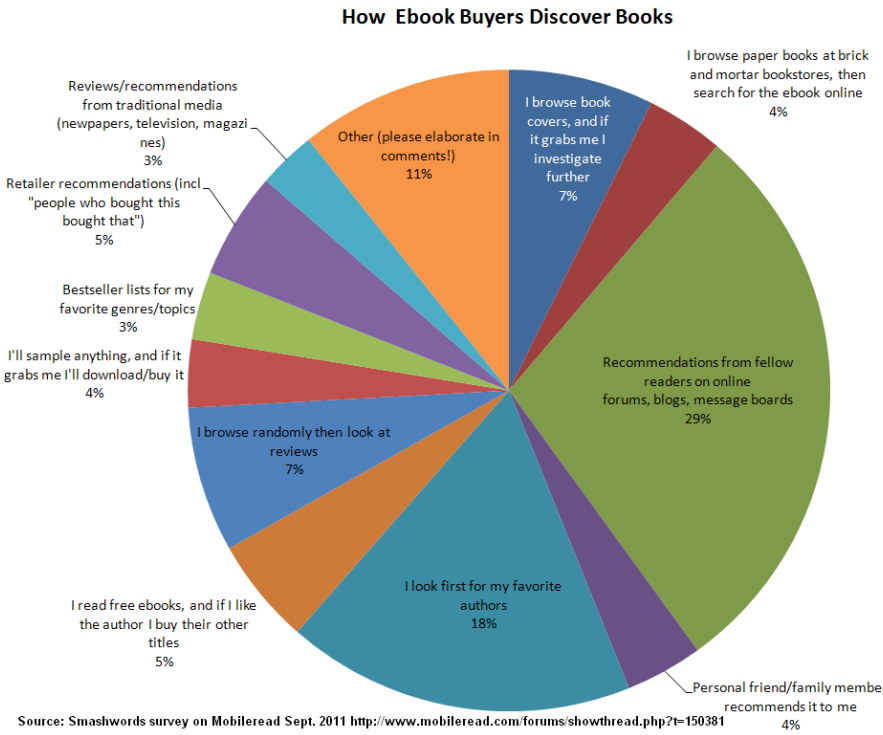
Secret Twenty

Optimize Discovery Touch Points

Discovery is the method by which readers find your book. Think of discovery as the honey that attracts your readers. Once you know what attracts readers, you can spread the honey.

In September 2011, I ran a survey over at MobileRead, the popular online community of ebook readers. I asked readers to name their single favorite method of discovering the ebooks they purchase. I presented them with 12 options, one of which was “other,” and they were allowed to select one answer only.

The results were surprising, and the lessons gleaned from this survey paint an encouraging picture for all authors, especially those of us who recognize and embrace our obscurity.


How Ebook Buyers Discover Books
I browse book covers, and if it grabs me I investigate further 7%
I browse paper books at brick and mortar bookstores, then search for the ebook online 4%
Recommendations from fellow readers on online forums, blogs, message boards 29%
Personal friend/family member recommends it to me 4%
I look first for my favorite authors 18%
I read free ebooks, and if I like the author I buy their other titles 5%
I browse randomly then look at reviews 7%
I'll sample anything, and if it grabs me I'll download/buy it 4%
Bestseller lists for my favorite genres/topics 3%
Retailer recommendations (incl "people who bought this bought that") 5%
Reviews/recommendations from traditional media (newpapers, television, magazines) 3%
Other (please elaborate in comments!) 11%
Source: Smashwords survey on Mobileread Sept. 2011 http://www.mobileread.com/forums/showthread.php?t=150381

View my full analysis, or enlarge the pie chart above, at http://blog.smashwords.com/2011/09/how-ebook-buyers-discover-books.html

Key findings:

- **Readers trust online communities more than immediate friends and family** – 28 percent of survey respondents said they prefer to discover books by listening to the recommendations of their fellow online readers in message boards and blogs. This contrasts with only 7 percent who said they prefer to learn about new books from immediate friends and family. Why the disparity? In the online realm, it's easy to find hyper-focused online communities that share the same passion for your favorite genre.
- **The author is the brand, and brand matters** – The #2 method of discovery, cited by 18 percent of respondents, was readers searching for books from their favorite authors. This speaks to the importance of author as brand. Once you earn the trust of readers and they know you'll honor their time with a great read, they will search out your other books.
- **Random browsing is big** – The rest of the survey's answers were

distributed across the remaining answers, with none garnering more than 7 percent of the vote. However, if you step back and review the answers in the aggregate, you realize that nearly 80% of the answers refer to some form of random browsing in which the readers didn't know what they were looking for until it was recommended to them, or they stumbled across it. 27 percent of reader answers relate to purely random discovery where the reader visits the ebook store with the mission to browse the virtual shelves for something unexpected. The following are all random browsing methods: I browse book cover images, and if it grabs me I investigate further (7 percent); I browse randomly then look at reviews (7 percent); I read free ebooks, and if I like the authors I buy their other titles (5 percent); I browse paper books at brick and mortar bookstores, then search for the ebook online (4 percent); I'll sample anything, and if it grabs me I'll download/buy it (4 percent). Most other answers involve some element of random browsing.

My survey is not without its flaws. As mentioned above, I posed the question in an online community, so their answers aren't necessarily reflective of all readers. I limited the options to 12 answers, and I didn't allow multiple choices. I didn't give respondents the option to specify if their answers would change based on whether they're searching for fiction or non-fiction.

Flaws aside, I think the results provide important lessons for authors. It's clear, for example, that authors can utilize multiple touch points to reach readers. Each touch point exposes your book to another sliver of the pie. The results also indicate that much of book discovery is about the readers finding you, not you finding the readers (thus my argument that marketing is not as important as some think).

How you can put these survey findings to use:

- **Your book is your most effective marketing tool** – Write a book that touches the reader's soul, and the reader will market your book for you through online word of mouth and reviews.
- **Target the online communities** – A large portion of readers look to their online communities – whether it be MobileRead, Goodreads, LibraryThing, Facebook, or a specialty community – for book recommendations. Goodreads members, for example, operate hundreds of online reading clubs, organized by genre or topic. On the Internet, you can find hyper-focused communities that cater to virtually any topic or niche. These are active, engaged readers, and they purchase more books than the average person. If they purchase your book,

they'll help turbocharge your *also boughts* because they're the power buyers.

- **Distribution is important** – The majority of book discovery, for ebooks at least, is happening in the online stores. If your book isn't available in all the major online stores, then readers cannot stumble across it when they're randomly browsing.
- **Book covers matter** – Your cover image should be as good as or better than the covers from large publishers. The cover image should represent your book, and appeal to your target audience.
- **Leverage free** – A small portion of readers choose free books first, and if your book satisfies them, they will seek out your other titles to purchase. If you only have one title, consider making it free for a limited time, like 30-60 days, so you can build readership and reviews.

Each discovery touchpoint is an opportunity to draw the reader in. But also think about the opposite. There's a warning here. In the comments over at MobileRead, readers made it clear that the same factors, poorly executed, can undermine your potential success and cause the reader to click away. For example, an unprofessional book cover image is an instant turn-off. Typos in a book description are a turnoff. Books that are not well edited and proofed are another turnoff. All authors – even bestselling authors – have an opportunity to improve the discoverability of their books by understanding how different readers utilize different discovery methods.

Secret Twenty-One

Practice the Never-Ending Book Launch

It's time to rethink the conventional approach to book marketing.

In traditional print publishing, an aggressive marketing campaign might start months in advance of the book release. The aim is to generate concentrated buzz timed to coincide with the book's arrival at brick and mortar retailers. These campaigns – reserved for only a handful of a publisher's favorite authors – might include mailings of Advance Reader Copies to secure book reviews, advance interviews with print media, advertising, and post-publication radio and television interviews, a launch party and a national or international book tour.

If the campaign works and readers embrace the book, the book starts jumping off shelves on day one, stores sell out and order more copies, publishers print more books, customers order more books and everyone is happy.

Few books achieve this status of instant-hit. Most traditionally published books fail to sell through quickly, with or without the benefit of big marketing campaigns. Few publishers ever sustain the book with ongoing proactive marketing effort. They throw all their resources into the launch, then abandon the book to its fate.

The first printing becomes the last printing, and stores ship their unsold inventory back to the publisher within weeks of the book hitting store shelves.

Many of these so-called flops are actually high-quality books that simply needed more time to build readership. It's a shame authors might spend years or a lifetime writing their book and searching for an agent and publisher only to have the book forced out of print and abandoned within weeks of publication.

The conventional approach to launching and marketing books is no longer the best approach, yet many indie authors still expend much effort and treasure trying to emulate it.

We all know authors who invested thousands of dollars in book launch marketing, or paid marketing packages – possibly in advertising, public relations or social media services – never to earn the money back in book sales. Some authors become so discouraged over the wasted money that they give up.

Never give up!

Indie authors face two critical disadvantages when emulating the all-or-nothing book launch: **1.** They lack brick and mortar distribution, an exclusive but ephemeral benefit available to only traditionally published authors. **2.** They lack the resources to pull off massive publicity campaigns.

The opportunity for indie authors is to turn these disadvantages into advantages. Do for your book what publishers cannot do.

Welcome to the never-ending book launch.

The secret to smarter book marketing – other than writing a book that markets itself on the wings of reader word of mouth – is to focus your efforts on ongoing activities that yield increasing benefits over time.

In Secret #14, I shared my fruit tree analogy. Think of your book as a fruit tree, an asset you own that will bear fruit for many years to come. When your book first lands on the virtual shelves of ebook retailers, it's a fragile sapling with shallow roots. Help it establish deep roots. Few trees bear fruit immediately. With time, and nourished by good viral catalysts (Secret #19), positive reader reviews and your ongoing marketing, the book can start producing sales.

Don't try to emulate the conventional approach to book marketing. The big upfront blitz – especially if you can't afford it – is no longer necessary. I'm not suggesting that you should skip the launch event. By all means, do your best to orchestrate a big, concentrated launch. Just don't expend your resources all at once.

With the advent of self-publishing and the democratized distribution to online bookstores , books no longer need to jump off the shelves on day one. They no longer need to go out of print. This means your book has more time to build fans and readership. There's always another day – tomorrow perhaps – to try something new, to build your platform and to build upon your past activities.

In this new era of the immortal book, focus your marketing on activities that create long-term passive discoverability. By *passive*, I mean those activities that yield dividends to you over time through no additional effort on your part. If you invest in the stock market, for example, a dividend-paying stock will pay you money each quarter.

Just as each book you publish can create a passive income stream for you, so

too can the right marketing activities yield ongoing marketing benefit in the future. Look for activities you can do once but benefit from forever.

Think of discoverability as a permanent homing beacon mounted atop your book that helps readers find it. Once you build the beacon, it's always working for you even while you're sleeping.

Make it easier for your prospective readers to find the book. Imagine one million paths, all leading to your book. Those paths might originate at your website or blog, or from guest posts at other blogs, reader reviews, or from virtual library listings of your fans on Goodreads or Facebook. That's the permanent marketing infrastructure you want to build over time with your marketing.

Your book, listed at an online ebook retailer, for example, provides permanent marketing benefit (unless you make the mistake of removing it, which kills the roots). A book's listing is always up, always working for you, always there to flag down readers when they're searching for their next read by browsing reviews, category listings or the *also boughts* recommendations.

A blog generates long-term marketing benefit, because every post you write will be indexed by the search engines and always available for someone to stumble across. Blog about things of interest to your target readers. Over time, your back catalog of blog posts will become part of the fabric of the Internet as readers interact, build links pointing to the posts, and as the blog comes up in random search engine queries.

Read my free *Smashwords Book Marketing Guide* to learn 30 passive and proactive marketing tips you can implement at no cost. Implement the easy ones first!

Secret Twenty-Two

Think Globally

Within the next few years, sales of English-language ebooks outside the U.S. will dwarf the U.S. market as these countries enter the exponential growth phase of their ebook markets.

In February, 2012, at the IFBOOKTHEN digital publishing conference in Milan, Italy, AT Kearney released results of a global ebook study, co-sponsored by Italian ebook retailer BookRepublic. The study concluded that multiple elements contribute to the primordial soup (my words, not theirs) necessary to enable ebooks to take root in each country.

These drivers include Internet and mobile penetration, e-reading device adoption, an ecosystem of ebook retailers, ebook title availability, favorable pricing dynamics and the presence of big players promoting ebook adoption.

These ingredients first came together in the United States, but only after fits and starts.

In the late ‘90s, coinciding with the Internet-fueled tech boom, there was a lot of activity and hype surrounding ebooks. Enthusiastic promoters promised ebooks would replace paper books. Early pioneering ebook reading devices, such as the Rocket eBook by NuvoMedia and the SoftBook by Softbook Press, hit the market with much fanfare, only to flame out in the dot-com bust. Ebooks failed to take root in the U.S. in the late ‘90s because the aforementioned primordial soup ingredients were not yet in place.

The first iterations of screen-reading technology were expensive and unsatisfying to consumers. Few books were available in ebook form, and the pricing was too high. Copy protection schemes – designed to prevent piracy – made it difficult for honest and legal customers to enjoy their books. No major retailers were promoting or selling ebooks. Publishers were reluctant to invest effort in such a nascent market because they were concerned ebooks might someday cannibalize their print book business.

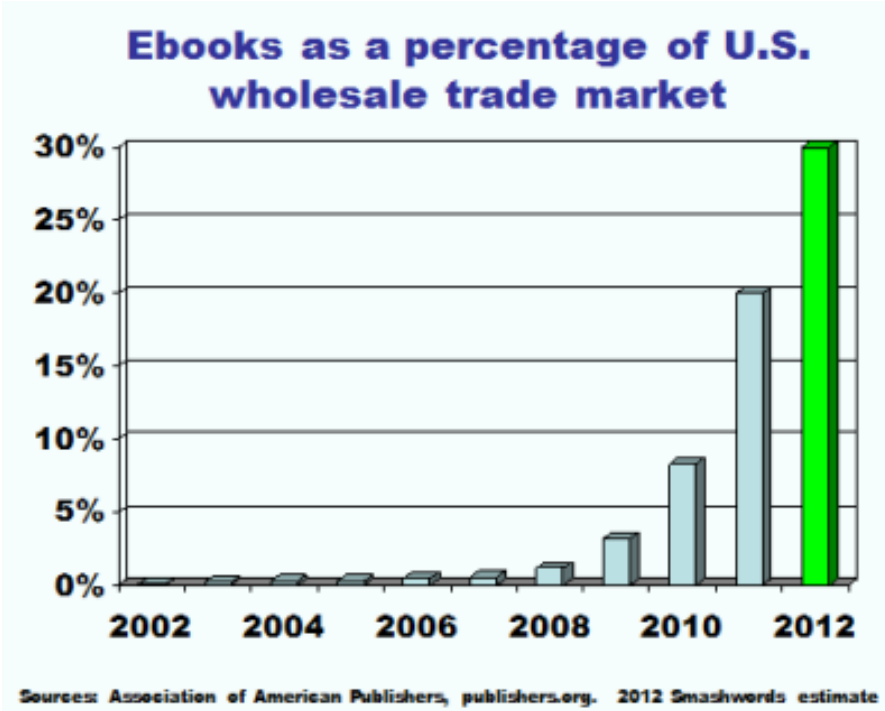
Ultimately, due to the problems above, most customers who tried the ebook format were underwhelmed. Paper reading still provided a superior reading experience. Early adopters of ebooks failed to spark the enthusiastic word of mouth necessary for ebooks to become a mainstream phenomenon.

After the dot-com bust of 2000-2001, many people wrote off ebooks. Yet despite the premature reports of the death of ebooks, the market continued to grow each year, albeit under the radar of most industry watchers.

By 2006, the building blocks began falling into place. Sony introduced its ground-breaking PRS-500 e-reader first to the U.S. market in September 2006. In January, 2007, Apple introduced the first iPhone, a device which helped introduce millions of readers to the joys of electronic books. In November, 2007, Amazon announced the Kindle ebook reader, backed by heavy promotion. In November, 2009, Barnes & Noble, the largest brick and mortar retailer, introduced the Nook e-reading device, backed by heavy in-store promotions.

Unlike with the first generation of e-reading devices, consumers who tried these new devices had a much more positive experience. With the rapid adoption of these exciting, low-cost, high-quality e-reading devices, publishers rushed to make their books available as ebooks, further fueling the fires of adoption.

The graph below, drawing upon data from the Association of American Publishers, shows how ebooks, as a percentage of the U.S. market, grew from ¼ of 1% in 2007 to approximately 20% in 2011.



Summary of the key growth drivers:

1. Availability of low-cost e-reading devices.
2. Heavy promotion of e-reading devices by Amazon, Apple, Barnes & Noble, Sony and others.
3. Smartphones such as the iPhone, which proved to be unexpectedly popular e-reading devices for millions of book lovers.
4. Improvements in e-reading screen technology and software which made screen-reading more pleasurable than paper-reading for many book lovers.
5. Increased selection of books, including hundreds of thousands of indie ebooks from self-published authors.
6. Lower ebook prices compared to print. Ebooks range from under $10.00 to as low as $0.00 (FREE). The average indie ebook is priced at around $3.00.
7. Tens of thousands of free public domain (out of copyright) classics, supplied by Project Gutenberg, which for many readers were their first experience with ebooks.

8. The shift to online buying of print books, which predisposed customers to become more open to purchasing electronic books.
9. Decline of brick and mortar bookstores.

The same ingredients above that fueled the U.S. market are now coming into play in markets outside the U.S.

The rapid rate of adoption of ebooks in the U.S., which surprised even the most optimistic industry watchers (including me), sets a good model for how the markets will develop outside the U.S.

Markets outside the U.S. are now entering the same exponential growth phases as the essential building blocks fall into place.

AT Kearny's findings indicate that markets outside the U.S. are where the U.S. was two to six years ago, but are catching up rapidly. Based on AT Kearny's 2011 estimates, ebook market share ranged from under one percent in India and Latin America to eight percent in the U.K.

At Smashwords, we're seeing evidence that the global market is developing much faster than the two- to six-year lag might indicate.

Apple, with its iBookstore, is now operating ebook stores in 50 different countries, with more expected in the year ahead. Smashwords is one of a handful of authorized global aggregators (distributors) supplying ebooks to the Apple iBookstore. As of this writing, we're distributing nearly 100,000 ebooks to all 50 Apple iBookstores. Already, nearly 50% of our sales from Apple are outside the U.S., with the largest markets in the U.K., Canada and Australia. It's also worth noting that every day, we're selling English-language books in other European and Scandinavian countries where English isn't the primary language.

Apple, Amazon, Kobo, Barnes & Noble and Sony are all expected to expand their international operations in 2012. Many regional ebook stores will also emerge in specific countries.

Price will be an especially powerful growth driver for customers in many of the smaller English-language markets such as Australia and New Zealand, where customers have grown accustomed to hardcover print books costing the equivalent of USD $45.00 to $50.00.

The markets outside the U.S. will embrace ebooks quickly because ebooks dramatically improve the selection and availability of books previously unavailable as print books. This is especially true in smaller markets historically neglected by large publishers.

Another driver of global growth is the rise of low-cost smartphones. Billions of ebook-ready smartphones are already in the hands of customers around the world, and each year these devices are getting smarter, cheaper and more

connected.

Back in 2007, I traveled to Tanzania to climb Mt. Kilimanjaro. Most people there didn't have running water or electricity, but they had cell phones.

Imagine billions of smartphone users in Africa and India and every other corner of the globe, all carrying online bookstores in their pockets. These new book readers can sample, discover and purchase low-cost ebooks with a couple of clicks.

For the first time ever, global ebook stores will make it feasible and cost-effective for authors and publishers to distribute every book to every country. An author in India can upload a book to Smashwords this second, and within minutes customers in Norway, New Zealand, Czech Republic or Tanzania can sample or purchase it.

Such instantaneous, global distribution of books is impossible with print.

As these nascent ebook markets enter their exponential growth phases, it's only a matter of a few years before ebook sales grow to account for 25 or 50 percent of their markets. As an indie author or publisher, this global market is within your reach today.

Secret Twenty-Three

Study Bestsellers in Your Category

They say imitation is the sincerest form of flattery. It's also an excellent way to learn.

If you want to learn to paint, study the masters.

If you want to learn to publish successfully, study the masters.

New indie masters are publishing every day. As I mentioned in the Preface, today's indie authors are experimenting with abandon. They don't have corporate staffs or million-dollar marketing budgets. They're innovating on the cheap, taking chances, sharing tips and tricks with their fellow authors, experimenting, and making mistakes. In the process, these authors are also stumbling across new secrets for success, often without realizing it.

As you embark on your grand ebook adventure, study the efforts of those who have come before you. If you write thrillers (or any other category), study the bestseller lists for that category at Barnes & Noble, Apple and Amazon. Which titles are selling the best? Study the most-downloaded free books. Which titles are being downloaded more than all the others?

Study the ebook cover images of the most popular books. Study their titles and their book descriptions. Study their pricing. Buy the books. Read the first paragraph, the first chapter, the entire book. Read customer reviews. Visit the author's website or blog. How are authors marketing their books (if at all)? What are they doing that you can do too?

Analyze and dissect everything about those writers. Be a sponge and learn from them.

You'll find each author has his or her own approach. Some do absolutely no marketing. They don't blog or tweet or Facebook. Some do heavy marketing. You'll find some who say they were successful completely by accident. They might sincerely believe it was by accident, but ultimately behind every

bestseller is a great book that touches the soul of readers.

As you study these authors, you'll also start to recognize their mistakes. Yes, even bestsellers make mistakes. Most bestsellers could do new things to make their books even more successful (they even might learn a thing or two by reading this ebook!).

Ultimately, the books that reach the most readers are those that market themselves on the wings of reader word of mouth (or mouse). Even if your goal isn't to become a bestseller (and remember, most of us will not become bestsellers), you should always strive to do your best work. Take pride in what you create. Don't release shoddy work.

Even after you publish your book, never stop learning, and never stop studying the masters who inspire you.

Unlike the old world of publishing where a book went to print and became a static, never-changing object, your ebook is alive and dynamic. You can evolve it. You can tweak the cover image, the title, the price, the description. You can even revise the book. You can fine-tune the book until it connects with and resonates with as many readers as possible. Listen to your fans, and seek to serve them.

Secret Twenty-Four

Develop a Thick Skin

Most of us love our books as if we birthed them ourselves (because we did birth them!). It's tough to hear negative feedback, and it's tougher still to realize our books might fail to achieve the readership and appreciation they deserve. As much as we think our book deserves to go viral and be read by millions of people, most of us won't achieve that ideal.

Don't let negative reviews discourage you. Instead, look for opportunities to learn from them. At Amazon, my novel has earned several one-star reviews. The especially painful ones complain they disliked the book so much they didn't finish it. Yikes! For many novelists, we leave the best part for the end. The review was unfair. What can I do about it? The answer is, very little.

You will receive reviews from clueless idiots, and there's little you can do about it. Retailers will rarely remove a negative review.

Try to keep an open mind. Learn from the reviews, if there's something to learn.

Maybe my novel needs to start off stronger. Maybe my book description doesn't adequately describe what the readers will experience if they buy my book, or maybe it's attracting the wrong type of reader. Or, maybe I just chalk up the reviewer as a troll.

I had another reviewer complain that the book contained too many references to drug abuse and eating disorders. The reader completely missed the point that the book's *purpose* is to give the reader a peek behind the façade of Hollywood celebrity and to put the reader inside the minds of the actors who endure so much hardship. It's important for authors to maintain a tough skin. All too often, I'll see authors unpublish their book at the first negative review. Don't do that. You worked too hard to let anyone steal your dream. Maybe the second or third review will be more positive.

Don't lash out at your critics, either in review responses or in online message

boards. Be the bigger person. Keep your emotions in check. Some authors go online and spew vitriol at real or imagined demons, but in the end they only harm themselves. Remember that your customers are often reading these messages. Your fellow authors, who you want as your partners in this grand ebook adventure, are also watching.

Over time, trust that the sum of your reviews, and the sum of what readers and fellow writers think about you, will more accurately reflect your substance.

As Brian S. Pratt pointed out in my interview with him (http://blog.smashwords.com/2010/12/smashwords-author-brian-s-pratt-to-earn.html), some negative reviews might even help sell books. Sometimes, that particular characteristic one reader hated might be exactly what another reader wants in a book. Maybe someone interested to understand the dark underbelly of Hollywood celebrity will see my one-star review above and think, "Eureka! That sounds like a Jackie Collins novel. I love Jackie Collins!"

In an interview at the Smashwords blog with Ruth Ann Nordin (http://blog.smashwords.com/2012/03/ruth-ann-nordin-shares-her-secrets-to.html), Ruth Ann confided how she almost gave up writing due to negative reviews:

> "*To be honest, I almost gave up (and this was in March 2010) because of the 1 and 2-star reviews. While most of the feedback was positive and I was also getting 4 and 5-star reviews, it's the 1 and 2-star ones I remember most, and those reviews came on An Inconvenient Marriage (which is ironic since that seems to the be the book that has done the best overall). I remember praying to God and asking Him what He wanted me to do because I was ready to unpublish all of my books and walk away from the whole thing. A half hour later, I got an email from a reader who told me "to continue my good work."*
>
> *That email is posted on my wall where I can read it whenever I contemplate giving up because the urge still comes about twice a year. I share this story because it's one of the experiences of being an author that no one in my writing groups ever told me, and I was in organizations with Harlequin, Avon and small press authors who had more experience than I did. I wish someone had given me a heads up that the emotional roller coaster authors go through is normal."*

Even if you write super-wonderful books, you will receive negative reviews. Some reviews will probably be vicious and mean-spirited. Don't let them diminish your resolve.

If you work hard to perfect your craft and persevere through the inevitable

negativity, you'll earn more fans, and in the end your fans will dilute the impact of any negativity. Write for yourself, and write for your fans.

Secret Twenty-Five

Think Beyond Price

Price is important, but it's only one of many factors that influence a prospective reader's perception of your book's value. If price were all that mattered, then readers would only download free books. Yet readers continue to purchase books, even when surrounded by an abundance of high-quality free books.

Why do they pay? The answer is that your book is wholly unique. It's a one-of-a-kind creation from your mind. It draws from your life experience, your talent, your interests, your hopes and fears. It draws from every fiber of who you are as an individual. If you write a book that resonates with readers and gives them great satisfaction, then price is not the sole determining factor of whether or not they'll buy it.

Consider your pricing decision within the context of these other important variables:

1. Length

Full-length books generally command higher prices than shorter works. Two of our best-selling, highest-earning authors are writing full-length books, between 150,000 and 200,000 words. That's long by conventional standards, which would usually consider 60,000-80,000 words full-length. Most of our highest earners are 80,000 words and up. As mentioned in the viral catalysts section above, the top 50 bestsellers at Smashwords average over 100,000 words. (See the full study at http://blog.smashwords.com/2012/04/can-ebook-data-reveal-new-viral.html.)

Of course, there are the rule breakers. Some short non-fiction supports higher prices. Solutions-focused non-fiction and short situational erotica support higher prices than might otherwise be justified by the length.

Some authors try to break a full-length novel into multiple shorter serialized chunks or series novellas in an attempt to earn more money, but this strategy usually fails. Such tricks jeopardize reader trust because readers will feel manipulated if they conclude the author's serialized book chunks are simply a scheme to extract more money from them. Also remember that it takes time and effort to purchase and download each of the smaller chunks, and that's time the reader would rather spend reading your complete book from start to finish. Don't create unnecessary friction that gets in the way of your reader enjoying your book right now.

If you're preparing to publish a completed series of full-length books, publish them all at once rather than releasing them over time. Allow your reader to finish one book and move to the next immediately; otherwise they may forget to look for the next release in the series.

2. Reader passion

The most powerful marketing secret is to write a super-fabulous book that markets itself. If a book doesn't inspire reader word of mouth, the author's marketing becomes less effective. How does an author create a book that markets itself? The secret is to write a book that that touches the reader's soul. If you write fiction, the characters must jump off the page. The reader must love it; and this holds true for both fiction and non-fiction. If readers feel passion for the book, they'll leave you a five-star review, not a three-star review, and they'll tell all their friends and family to purchase it as well. Reader passion drives a book's virality, both via word of mouth and social media buzz.

3. Author platform

Do you have the ability to efficiently reach a large number of readers? They might be readers of your blog, fans on your email list, or the audience of your in-person talks. That's your platform. The author platform helps authors place their book before readers for their immediate consideration. True fans are likely to be less price sensitive. They're a fan because they already consider your work valuable to them.

4. Reader trust

Earlier I devoted an entire secret to reader trust, so I'll summarize it here. It's easier to lose a reader than to gain one. If you provide your readers with a

super-enjoyable reading experience, they are much more likely to remember your name and seek out other written works you have published. If they know you write great material, price will be less of an issue because they already trust you to provide a good read.

5. Series or not

For fiction, full-length series do best. The power of the series is that the reader becomes emotionally invested in the world you have created, and the characters who populate this world. Your readers will want to join the character on an ongoing journey. Each book in the series must hook the reader, because some readers will read the series out of order.

Brian S. Pratt's series starter for his epic fantasy Morcyth Saga series is 140,000 words and priced at free. A good percentage of readers who complete the first book purchase the other six books in the series sight-unseen for $5.99 each. This is the level of trust every author should aspire to.

Shayne Parkinson, a Smashwords bestseller of historical fiction who prices her series starter at free, averages close to 200,000 words for each of her series books.

6. Author marketing

Marketing is the process by which an author builds awareness about the book and the author, and generates demand for the book. If an author can create an urgent, strong desire among readers to read the book, then price becomes less important. Urgency builds desire. If everyone you know is telling you that you NEED to read title ABC from author XYZ, and you need to read it NOW, are you really going to care if it's priced at $9.99 or $.99? A book worth reading is a book worth reading.

7. Perceived value

In the previous tip, I said a book worth reading is a book worth reading. Yet customers don't have limitless wallets, and they don't want to over-spend. In the end, each individual customer's purchase decision is driven by a complex and personal equation of inputs that define perceived value. In other words, multiple factors influence the desirability of a book, and each prospective reader will weigh those factors differently. Perceived value is all about what I, the reader, will get from this book, above and beyond what I invest. Readers

invest their time, attention and money.

For fiction, readers want emotional engagement with a great story. For non-fiction (and with great fiction as well), they're looking to gain knowledge, information or insight, or to learn how to solve a problem.

If you've done everything possible to maximize factors 1-6 above, then price is the final lever under the author's control. Fiction buyers are typically more price-sensitive, simply because they have near-unlimited alternatives for low-cost, high-quality books. Non-fiction readers are slightly less price-sensitive, because they often read non-fiction for knowledge, and that knowledge often has value to them that far exceeds the price of the book (more on this below).

8. Platform building or harvesting?

If you're a new author, or you're an established author eager to expand your platform, then consider pricing some of your work at low prices to encourage more new readers to take a chance on you, and give you a chance to build reader trust.

A $.99 ebook will usually sell more copies than a $9.99 ebook, yet the higher priced ebook may earn the author more income. When selecting a price, authors should ask themselves what their objective is. Is it to harvest maximum income now, or is it to build platform, or is a combination of both?

The most successful pricing strategy is a blended one, where the author participates in multiple price points to satisfy different customer preferences. For authors to take full advantage of the blended strategy, they must offer a backlist of multiple full-length titles.

Think like a fisherman. Fishermen chum: they throw buckets of free bait in the water to attract a lot of fish, and then mix in hooked bait to catch the fish attracted by the freebies.

Free or low cost books act like chum in the water for platform building and marketing. Authors can price other books higher to harvest income.

Many authors make the mistake of believing every one of their books is worth at least X price, and refuse to price them lower on principle alone. They miss out on the opportunity to use free and low-cost books to make it easier for a large number of customers to take a chance on them.

Other authors price too low, so they miss the opportunity to harvest income. It's a balancing act. The most successful indie authors are simultaneously pricing to chum and to harvest, always looking to introduce new readers to their works so they can sell them higher-priced books.

Based on our research (see http://blog.smashwords.com/2013/05/new-

smashwords-survey-helps-authors.html), on average, prices of $2.99 to $6.99 yield indie authors the most income, though $2.99 books will sell more units than $6.99. If you find you earn the same amount of income at $2.99 as $6.99, consider sticking to the $2.99 price because lower prices yield greater unit volume (you reach more readers), which gives you greater platform-building benefit. Keep in mind, every book is different and your experience may vary from the norm.

9. The Impact of Free Ebooks

If you price your book low, or free, even for a limited time, you eliminate the reader's financial risk of taking a chance on you.

Authors who don't utilize low price points for some of their catalog are missing out on the biggest, most underutilized marketing secret: Price is a marketing tool.

I'll often hear from authors and publishers concerned that free or low-cost books devalue books. They fear that readers will be conditioned to demand free and won't pay. This isn't the case.

Every author's worst competition is not other authors or free or low-priced books. Your competition is staring at you from the mirror. Write the best book you can and give it a cover image that screams to the reader, "This book is just what you're looking for!"

Readers today have access to tens of thousands of free public domain classics, thousands of free indie books, and millions of pieces of free Internet content.

Yet readers still buy books. Why? Because your book is entirely unique in the world, and readers will pay for a good book. Writers confident in their ability yet concerned about the glut of books should find this fact encouraging.

10. Fiction vs. Nonfiction

The pricing dynamic for non-fiction is different from fiction. Often with non-fiction, the reader is looking to solve a problem, or address an opportunity. This problem or opportunity has a perceived value attached to it in the mind of the reader. The greater the value of this knowledge, the less sensitive they'll be to price.

We have one author who has been successful selling $79.00 non-fiction ebooks. The books provide investment recommendations, and the author is well-known, has a large platform, and is trusted. For investors making multi-hundred thousand dollar investments in the stock market, $79.00 is a small

price to pay for knowledge.

We have another author who is a nationally known expert on high school football coaching. His books sell well for $25.00 each. I remember a few years back I advised him his books were priced too high. I was wrong. Lesson learned: Keep an open mind – some "rules" can be broken. What doesn't work for one author may work for you.

11. Now for a Twist: Might Higher Priced Books Sell Better?

Conventional wisdom holds that the lower the price, the more readers you'll get. This is generally true, and our research supports this. However, as with any rule, there are always exceptions. Some Smashwords customers have told me they won't even consider purchasing a book unless it's *more than* $2.99 because they've concluded that cheaper books are of lesser quality. This belief isn't universal among all readers, but it is true for some subset. On multiple occasions I've heard from authors who told me their unit sales actually increased after they raised their price.

Remember, many factors influence how a reader perceives your price.

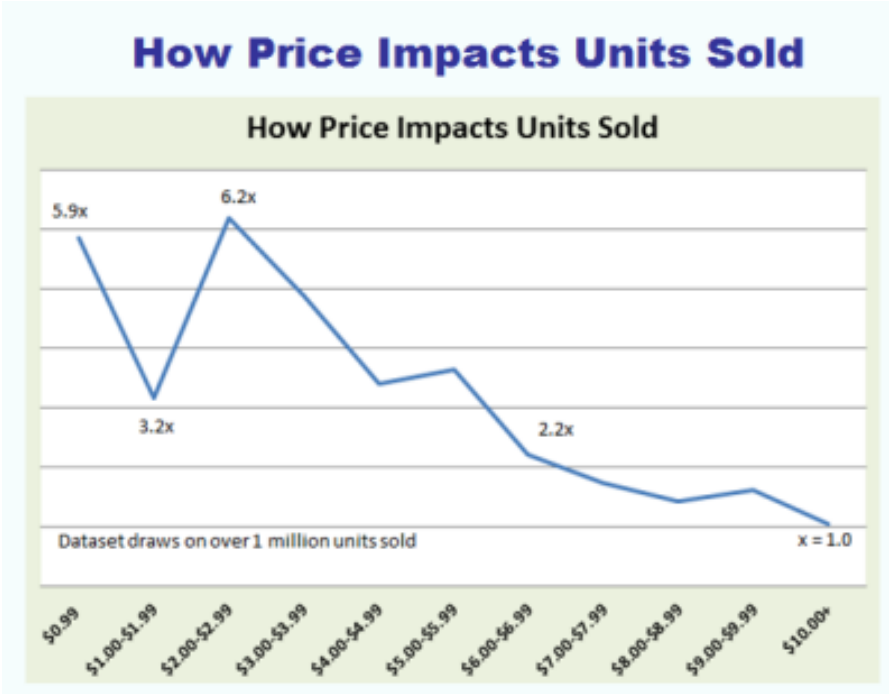
Secret Twenty-Six

Pricing Strategy: Unit Volume is a Lever for Success

In mid-2012, Smashwords completed a comprehensive research study to examine the interplay between price, unit sales, and overall author profits. We looked at sales of 50,000 books across multiple retailers during a six-month period.

First, we wanted to understand at what price an ebook would move the most units. The answer wasn't a surprise: FREE. Free ebooks, according to our study, drove about 104 times more downloads than books at a price.

But what about priced books? After all, most of us would like to earn income from our books. The chart below shows the answer. I normalized the data so we could analyze, for example, how many more books would be sold at $.99 than $10.00+. We found that lower prices generally resulted in more unit sales, with the exception of the $1.99 price-point, which appears to underperform. We found that a book priced at $2.99 sells, on average, 6.2 times more units than a book priced over $10.00. As prices rise, as you might expect, unit sales drop.



So it's not a surprise that lower-priced books generally sell more units than higher-priced books. If a book is low-priced, it becomes more affordable to more readers. Readers are more likely to take a chance on a low-priced book from an unknown author.

Next, we wanted to know at which price the author would gain the most earnings. Would an author earn more money at $.99 than $10.00+, simply because $.99 would drive greater unit volume? The answer was unexpected.

For the chart above, we normalized the data so what you see is a representation of how each price point compares to the average yield (unit sales multiplied by author royalty) at each price point. In the left vertical column, 1.00 would equal the average. What we find is that $1.99 and lower actually caused the author to earn 60% less than the average. This means the $.99 and $1.99 price points under-perform. $5.99 appeared to be the sweet spot, yet if this makes you feel inclined to move all your prices to $5.99 today, stop. If you look at the chart, you see there's not a tremendous variation between all the price points from $2.99 and up. A $2.99 ebook earns just a little more than a $9.99 or $10.00+ ebook.

So now the big question? At what price should you price your book? The answer isn't completely obvious. First, let me warn you about the potential danger of making decisions on aggregated data such as what I'm sharing. My data is looking at results from about 50,000 books. The survey included both fiction and non-fiction. While is this probably the largest study of price points and sales behavior ever conducted, we are talking about an average. Your book is unique, and may respond differently than the average. That warning aside, you can draw some interesting conclusions here that will help inform a smarter pricing strategy.

If you have the choice to price at $2.99 or $10.00+, what's the smarter decision?

Before you answer, let's examine benefits you get from a book sale. Most

authors think solely of the money they earn, and authors with this mindset would probably price their book at $5.99, since that appears to be the highest-earning price point. Yet there's another, often-overlooked benefit of that sale: **You gain a reader.**

A reader is a potential fan, and a fan will review your book positively and purchase your other books, and will anxiously await your next books.

A fan is also a potential evangelist for your book, and an evangelist will not only recommend your book to friends, they will *command* their friends to read it. If your friend tells you you MUST read this amazing book, you're more likely to read it. Fans create word of mouth, and word of mouth separates the poor-sellers from the bestsellers.

I would argue that this second benefit of the sale, ***gaining a reader***, is more valuable to your long-term career as a writer, especially if you plan to publish multiple books.

With this epiphany in mind, you'll now understand why indie authors have such a platform-building advantage over traditionally published authors. Traditional publishers price high, and this high pricing diminishes their unit sales volume, which limits the fan-building and platform-building potential of each book. This is why many indie authors are now building larger fan bases faster than many traditionally published authors. It's a reason to think twice before signing with a publisher. I observed multiple instances in recent months where Smashwords bestsellers were acquired by large publishers, and instantly re-listed by the publishers at higher prices. The books' sales rankings usually drop like a rock. As an indie, you can use low price to build fans, and then over time, as you build reader trust, you can raise your prices. This isn't just conceptual pie-in-the-sky speculation. We're seeing it happen every day.

Up in the cover design section, I wrote about R.L. Mathewson, and how a simple cover update was the catalyst to launch her to the New York Times Bestseller list. What I didn't mention was that all her books were priced at $.99 at the time. The low price facilitated rapid fan-building for her during the approximate 18 months she had been building her fan base at the Apple iBookstore.

When she released her next novel later in 2012, *Checkmate*, she priced it at $2.99. Within 48 hours, the book shot to number one in Apple iBookstores in the U.S., Australia, U.K. and Canada. What this illustrates, I think, is the power of fan-building. Every retailer, and every store in every country, represents its own micro-market. If you build your platform and earn reader trust, readers will want to purchase your next book, even if it's priced higher.

This is good news for writers who are concerned price competition will drive the price of all books to FREE. I don't see this happening. Readers will always pay for books worth reading. All you need to do is earn and deserve

their trust.

So back to my original question, if you have the choice to price at $2.99 or $10.00+, what's the smarter decision? For most books, especially for fiction, $2.99 will be smarter, because according to our data above, $2.99 helps you reach over six times as many readers as $10.00+. Or, if you don't get results with $2.99, try $.99, and see if that makes an impact, or try FREE. We've observed multiple instances where a free book caused the author's other books to break out, especially when it's a free series-starter. Most of the highest earning authors at Smashwords have at least one free book.

In 2013, we released a second annual survey looking at much of the same data highlighted above. Many of the findings remained consistent with 2012, yet there were some interesting shifts in the data. We found $3.99, on average, earned authors more unit sales and more income than $2.99. We found that both $2.99 and $3.99 earned authors about four times more downloads than books priced at $10+, which represented a drop from the 6X advantage witnessed in 2012. $1.99 remains a black hole.

You can download the 2013 survey, and read my full commentary, at http://blog.smashwords.com/2013/05/new-smashwords-survey-helps-authors.html Please remember that these findings should be used as data points meant to help you make better-informed decisions. The findings are not absolutes, and it's often difficult to distinguish cause and effect. For example, with the new 2013 data, do $3.99 ebooks sell better because customers are avoiding $2.99? We don't know. A handful of mega-selling bestsellers might have skewed the data. Or, more likely, it was a combination of factors. Every book is a unique creature, so what works for the average book may not work for your book.

Ebook Publishing is Easy, Writing is Difficult

Now that you're an expert on so many secrets to success, it's time to get out there and publish it.

Ebook Publishing is the Easy Part: Some writers fear it's difficult to turn their finished manuscript into an ebook. It's not difficult, it's easy. There are a lot of experts out there who will try to tell you that ebook publishing is difficult, and that you need to hire them to help you do it correctly. Hogwash. If you're moderately proficient with a word processor, you can publish an ebook. At Smashwords, we have authors in their 80s and 90s who have published with us, all on their own by following our simple steps.

Once your manuscript is completed, simply review my free *Smashwords Style Guide* (http://www.smashwords.com/books/view/52) to learn how to format, produce and publish your book.

Even if you don't yet work with Smashwords, the *Smashwords Style Guide* will help you learn the best practices for ebook formatting and layout so your book can be enjoyed on any e-reading device.

Ebook publishing can be free. You need not hire expensive services or purchase publishing packages. The only necessary cost for most authors is to hire a professional cover designer, and it's easy to find good ones under $300. If you do need help on formatting or cover design, hire one of the pros on *Mark's List*, which is my free referral service you can access by sending an email to list@smashwords.com or by visiting http://smashwords.com/list. I don't earn a commission or a referral fee if you hire them. They're all fellow Smashwords authors and independent freelancers, and they're on my list because they've done great work for other Smashwords authors. Their rates usually start around $40 for formatting or cover design, and go up from there depending on the complexity of your project. All the cover artists have online portfolios so you can get a sense of their style before you hire them. Ask for a quote in advance.

Inspire Mad Passion: The very most important step you can take, more important than marketing and more important than most of the secrets in this book combined, is to write a super fabulous book that inspires mad passion in your readers. It's not easy to write such a book.

If your readers love your book, then news of your book will spread on the wings of their passionate word of mouth. Know your audience, and give them exactly what they want. It's easier said than done. Most of the overnight indie author successes you read about slaved away for years in obscurity as they honed their craft and built their platform.

If you remember nothing else from this book, remember that writing a great book is the single most important – and the single most difficult – task ahead of you. A great book markets itself.

Secret Twenty-Eight

Define Your Own Success

Much of the discussion about what constitutes a "successful author" invariably goes to a discussion about book sales and earnings. The danger of this myopic measure of success is that most writers won't sell a lot of books. This holds true for indie authors as well as traditionally published authors.

Does this mean most writers are failures? Definitely not!

Don't allow your definition of success to be defined by others.

Why do writers write? Why do you write? It's a fascinating question because the answers reveal a more open-ended spectrum by which you might measure your success.

Most writers write first and foremost because they feel compelled to write. Writing is a deeply emotional process of self-discovery. Writing is one of the purest, most profound forms of creative self-expression.

We writers are often driven by a passionate desire to share our stories, knowledge and ideas with the world. It takes great bravery for writers to expose their writing to public scrutiny.

Most – but not all – writers want to reach readers with their words. I imagine that's why you've invested your precious time to read this book.

For many writers, simply getting their book out there – either self-published or traditionally published – is the ultimate reward. Most people dream of writing a book, but few ever complete one.

For other writers, reader feedback is the ultimate reward. I remember how touched my wife and I were when we received our first fan mail and reviews from readers of our novel, *Boob Tube*. There's something very cool about a complete stranger enjoying your labor of love.

Remember why you're a writer. If you write simply to make money, odds are

you'll probably make more if you get a part-time job at McDonalds. Few of us will hit the lottery of bestsellerdom (though some of you will – for the rest of us it's fun to imagine that brass ring and reach for it). For those who do become bestsellers, success requires years of hard work toiling in obscurity.

Write because you love to write. Never stop growing as a writer. Push yourself to always improve your craft. When each success comes, relish it because you earned it!

Secret Twenty-Nine

Leverage Preorders to Increase Sales

One of the universal truths of the ebook publishing revolution is that the tools of professional publishing – tools that were once beyond the reach of indie authors – are becoming democratized and accessible to all writers. One such tool is preorders.

With a preorder, you can list your book for sale in advance of the official "onsale" release date. The longer the preorder runway – the time your book is available for these advance orders – the more time you have to promote your book and accumulate orders. Readers reserve a copy in advance, but their credit card isn't charged until the book is released to them on the official onsale date, which you set.

In July, 2013, Smashwords introduced preorder distribution to Apple iBooks, Barnes & Noble and Kobo (read our original announcement **here**).

Here are five benefits of preorders:

1. **Increased odds of hitting a bestseller list** – Retailer bestseller lists are determined by unit sales, and most retailers weight the most recent day's sales greater than sales that were made yesterday or the week before. At Apple and Kobo, accumulated preorders credit all-at-once on your official release date. This causes your book to spike in the store's genre or store-wide bestseller list. Since readers use bestseller lists to discover their next reads, high placement in a list causes a virtuous, self-reinforcing cycle that increases your book's visibility, discoverability and desirability. This leads to more sales which then further feed the virtuous cycle.
2. **Your book goes onsale at multiple retailers simultaneously** – Every

retailer has a lag time between the time Smashwords delivers a book, and the time the retailer loads it and lists it for sale. If you set up a preorder several weeks in advance, you won't have to wait and wonder when the book will appear for sale at Apple, Barnes & Noble and Kobo. Your fans can download your book on the same day it goes onsale from their favorite retailer.

3. **Increased potential for merchandising** – If your book is earning strong preorder sales, it might attract the attention of the retailer's merchandising team, and could result in greater advance promotion by the retailer. Why? The retailer's merchandising team is responsible for hand-selecting hot books that deserve extra merchandising promotion. They're looking for books that, if promoted, have a high probability of pleasing their customers. If your preorder is accumulating strong sales, the merchandising team will have a higher level of confidence that your book will please other customers, and thus they're more likely to give the book extra promotion.
4. **Your existing titles will drive preorders** – The average Smashwords author publishes 3.2 books (five years ago, the average was 2.2). If you publish multiple titles already, update the back of the books' "Other books by this author" section to mention that your upcoming release is available for preorder at select retailers (you can't promise availability at all retailers because not all retailers support preorders for indie authors).
5. **Preorders help you capture the order** – Many authors routinely promote the status of upcoming books via their blog, website or social media platforms. This generates reader interest. With a preorder, you'll have the opportunity to convert reader interest into an order at the time you have the readers' attention. Without a preorder, many of those readers will forget about your upcoming release, or will become distracted by other books or authors they discover. Capture the order at the moment you capture their attention!

How do you maximize the odds of a successful preorder?

It's easy to do a preorder with Smashwords, though it takes careful planning and preparation to maximize your results. Below, I'll provide some best practices tips.

1. **All the rules of professional publishing hold true** – You need to write a super-awesome book, adorn it with a super-awesome cover, give it a fair price, and make it widely available at the retailers that

support preorders. If you cut corners, you'll undermine the potential of your preorder.

2. **Budget extra preorder runway into your release schedule** – The more time your book is available as a preorder, the more time you and the retailer have to market your preorder and accumulate orders for that first-day pop in the charts. I recommend that you don't upload your preorder or finalize your onsale date until your book has a final cover image and is either a final edited book, or the equivalent of what traditional publishers refer to as an ARC (advance reader copy) or Uncorrected Proof. An ARC, similar to an Uncorrected Proof, is a near-final book that may still be undergoing final proofing. In short, the book should be either final or very near final because retailers will display the first 10% of it as an advance sample to customers. If you make revisions to your book in advance of your onsale date, be sure to upload the final final at least two weeks before the onsale date to allow your distributor and retailer plenty of time to replace the old version with the new one. If you can't budget a long runway, see the Q&A at the end of this chapter.

3. **Leverage your backlist to market your preorder** - If you have one or more books on the market already, retailer merchandising systems will automatically display your preorder book to readers. As suggested above, update all your existing titles to mention your upcoming release at the back of your other books, so you can capture new book orders at that very moment the readers want to read more from you.

4. **Offer a special promotional price for the preorder** – In July, 2013, I surveyed ebook buyers over at MobileRead for their impressions about preorders. I learned that 1/3 of readers will place preorders for their favorite authors. Of the 2/3 of readers who said they'd wait for the book to go onsale first, many cited the fear that the price would drop after the publication date, because this is what some traditional publishers do. Readers don't want to get burned. This was great feedback! To address this common fear, turn the fear around and use it to your advantage. Offer your preorder customers preferential pricing, and promote this fact. If you were planning to offer your book for $3.99, offer it for $2.99 as a preorder. Customers who order early can lock in the lower price. Then after the book goes onsale, raise the price. This strategy will reward your most loyal readers and help propel your preorders. It also gives you something else to promote!

5. **Execute a multi-week, multi-faceted marketing campaign** – Placing your book on preorder gives you time to stage a strategic marketing campaign to build buzz and anticipation in advance of your release. Do chapter reveals on your blog or Facebook page. Do a blog tour (see the

Smashwords Book Marketing Guide for tips on blog tours). Hold contests. Run promotions on your other titles to build readership in advance of your big release. For example, consider pricing another title at FREE, and then make sure you're mentioning your upcoming release at the end of the book in your "Other books by this author" section. As you promote your preorder, make sure to provide your fans direct hyperlinks to the preorder page at each retailer. Because some retailers are faster than others to load your preorder listing, use each appearance as a promotion-worthy event. On your blog, Facebook and other social media channels, tell your fans that your preorder is now live at retailer A, then retailer B, etc.

Are there drawbacks to a preorder?

Yes, potentially. Although preorders are a powerful new tool in the author's book promotion toolbox, no tool is a panacea, and there's no guarantee preorders will work their magic for you.

In the interest of helping you maximize your success, below I'll summarize a few potential pitfalls, and what you can do to mitigate the risk:

1. **Poor use of the tool** - Like any tool, preorders can help you build buzz, visibility and sales if used properly. If used improperly, preorders can backfire. How? Some authors, in an attempt to lengthen their preorder runway, might upload a poorly edited draft of their book. When readers download the free sample in advance of the official onsale date (usually the first 10%), typos or poor editing might discourage them from ordering the book. Or, the writer may run into unanticipated delays with editors, and not have time to upload their final final by the necessary date. If you find you pushed the envelope too far and can't complete the final final in time, adjust your release date at Smashwords.
2. **A delay is a delay** – If you budget an extra 4-6 weeks into your release schedule, it may mean you're delaying the release of your book, which means your book will be unavailable to readers to download and enjoy, which means you might lose sales and the benefits of those sales you might have otherwise captured.
3. **Not all readers will use preorders** – As I mentioned above, in my unscientific survey of reader perceptions about preorders, 2/3 of readers said they'd rather wait until the book officially goes on sale.

Questions and Answers about Ebook Preorders

Q: I already promised my readers I'd release my book by a certain date. What if I can't budget for a 4-6 week preorder runway?

A: Preorders can work well with less runway, though remember that the shorter your runway, the more difficult it'll be for you to accumulate advance orders for that first-day pop in the charts. If you're publishing a highly anticipated book, however, even two or three days of preorder listing will give you a significant advantage over other titles.

Q: Do preorders work better for series, or for standalone books?

A: Preorders probably work best for series, because as fans complete the current book in a great ongoing series, they'll be more inclined to reserve a copy of the upcoming series installment. However, preorders can still work well for standalone books, especially if the author has multiple titles published, or a large marketing platform.

Q: Do preorders only work for big authors with large fan bases?

A: If you have a large, reachable fan base, or if you have multiple strong-selling books referencing your upcoming release, then you'll have an advantage because you're able to drive more preorder sales. However, even authors with smaller platforms can still benefit. For example, let's say your books typically earn three sales a day at each retailer. Sales volume like that won't get you on any genre-based bestseller lists. Yet if you can aggregate those sales across a period of 60 days, you've got a good shot of hitting the top 20 of your genre list at Apple and Kobo, and can therefore achieve some benefit from that increased visibility. Also, as in all book marketing, there's not one single magic bullet that causes books to spike in bestseller lists. As we learned in the chapter on viral catalysts, breakouts are often the result of multiple factors properly tuned toward the common goal of making your book more available, more accessible and more desirable. Preorders, properly deployed, can be one of the many viral catalysts in your toolbox that give you an incremental advantage.

Share Your Secrets

This ebook represents a labor of love. I wrote *The Secrets to Ebook Publishing Success* over the course of 18 months, and it wouldn't have been possible without the inspiration and example of over 60,000 Smashwords authors and publishers around the world.

Our authors are out there each day experimenting, taking chances, and pioneering the best practices of tomorrow. This ebook is my attempt to capture and share their secrets.

I want you to take these best practices and make them your own. Build upon them.

Share what you learn with your fellow writers. Your fellow writers are your partners, not your competitors. When we authors work together in partnership, anything is possible.

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Please share this book with your fellow writers. Don't keep it a secret.

Secrets Conclusion

I trust the best practices contained herein have inspired you with new ideas to achieve your fullest potential.

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Happy publishing!

Thanks,

Mark

P.S. In the sections that follow, I provide links to free publishing resources, a glossary of ebook publishing terms, and credit pages for those who helped make the first edition of this book possible.

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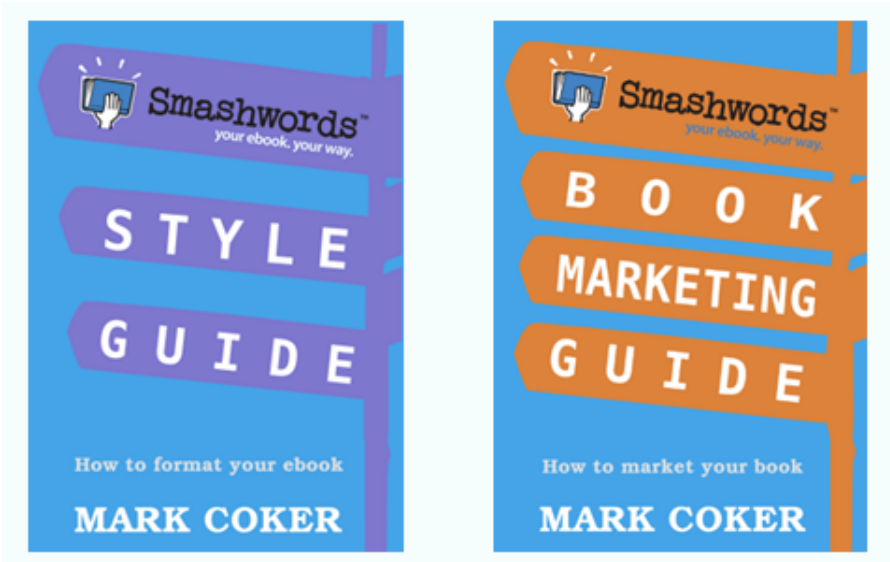
If you found my *Secrets to Ebook Publishing Success* useful, please consider these other two ebook publishing resources, both of which are free at all major ebook retailers. Even if you're not yet a Smashwords author or publisher, download them today to learn how to publish and market an ebook like a professional.



The ***Smashwords Style Guide*** teaches you how to format, produce and distribute an ebook with Smashwords. It's also available in German, French, Dutch, Spanish, Italian and Danish.

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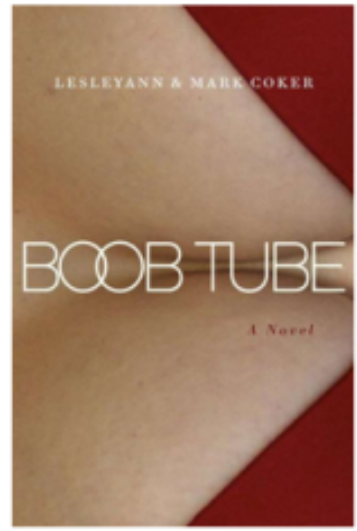

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About the Author, Mark Coker

Mark Coker is the founder of Smashwords (www.smashwords.com), the world's largest distributor of indie (self-published) ebooks. Today, over 60,000 authors around the world use Smashwords to publish and distribute over 200,000 ebooks to major retailers such as the Apple iBookstore, Barnes & Noble, Sony, Kobo, Diesel and public libraries.

Mark founded Smashwords in 2008 to change how books are published, marketed and sold. Mark's dream was to put the power of publishing in the hands of authors by making it free and easy for any writer, anywhere in the world, to publish and sell an ebook. Authors, he believes, should have the power to publish what they want, and readers should have the freedom to read what they want. Smashwords authors sell millions of books each year through the Smashwords distribution network, with 85% of all proceeds going to the authors.

In 2010, The Wall Street Journal named Mark one of the eight stars of self-publishing alongside Steve Jobs of Apple, William Lynch of Barnes & Noble, and Jeff Bezos of Amazon.

In 2013, Forbes Magazine listed Smashwords as one of the top 100 most promising companies in America (#72). In 2014, Smashwords made the list again (#69).

Mark is a contributing writer for the Huffington Post, where he writes about ebooks and the future of publishing. In addition to *The Secrets to Ebook Publishing Success*, he's also the author of the *Smashwords Book Marketing Guide*; The *Smashwords Style Guide*; *The 10-Minute PR Checklist – Earn the Publicity You Deserve*; and *Boob Tube*, the novel he co-wrote with his wife Lesleyann. The titles are available at Smashwords and most leading ebook retailers.

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Appendix I

Glossary of E-Publishing Terms

This glossary helps you learn the foundational terminology you need to get started on your ebook publishing adventure. I'll demystify ebook publishing jargon, gobbledygook, acronyms and other terminology. I originally created this for the benefit of Smashwords authors. Terms unique to Smashwords are preceded by .

Affiliate - Affiliate refers to an affiliate marketer, which is typically a person who enrolls in an affiliate program run by a retailer. Affiliate marketers earn commissions by directing ebook buyers to certain retailers. Smashwords affiliates earn 11% or more of the net proceeds of all ebook sales they help originate. Many authors also participate in the affiliate program. To enroll, click the Account tab and then scroll down. Affiliates are not retailers. Affiliates market and promote Smashwords books, and then point buyers to the retailer website to complete the purchase. In addition to Smashwords, Barnes & Noble and Apple also operate affiliate programs.

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Beta reader – A beta reader is a test reader. Before you publish your book, find at least 20 volunteers who are willing to read your book and share honest, critical feedback. A successful beta reader will guide your next revision. The ideal beta reader is someone who enjoys your genre or category, and is not a friend or family member. Yes, friends and family members can provide useful critiques, but it's difficult to receive honest, critical feedback. They will be so impressed you finished the book they'll be inclined to think it's wonderful, even if it isn't. When my wife and I were writing our novel, *Boob Tube*, we conducted two beta reader rounds, and each round inspired a revision that made our book better. For each round, we identified 20 volunteers. We printed the manuscript and shipped it to them. Interspersed at different places in the book (after the first chapter, then every 50 or so pages, and then at the very end), we inserted printed questionnaires. We asked readers to express their opinions about the book at that stage of the book. After the first chapter, for example, we asked, "On a scale of one to ten, where one equals 'not-at-all,' and 10 equals 'can't wait,' how eager are you to turn the next page after reading the first chapter?" We asked, "Do you care what happens next to Gina (the main character)?" Elsewhere, we asked readers to tell us how they felt about the story, the writing, the pacing, the dialogue (was it realistic, or not?), and how they felt about certain characters. In our novel, our protagonist Gina moves to Hollywood to assume a lead role on a top-rated soap opera. The book chronicles her journey as she faces a series of moral and ethical dilemmas. One of those dilemmas is the temptation of drugs. In our first beta reader round, we learned that readers wanted to root for Gina, and cared what happened to her next, but in the end they couldn't root for her because she was so pathetic, almost unrealistically so. This is the type of brilliant feedback

you'll receive from beta readers if you prompt them with the right questions.

BISAC - BISAC (stands for Book Industry Standards and Communications) is the standard book category coding system. Authors select categories for their books at Smashwords using plain English words or phrases in our category selector, and then Smashwords automatically maps these categories to corresponding BISAC codes. We then communicate this code to our retailers, and the code tells them, for example, that a "FIC027120" title should be listed in the "Paranormal Fiction" shelf at the retailer. In other words, BISACs make your book discoverable in category searches at retailers. Smashwords allows you to select two different categories for each book (do this at Dashboard: Settings). Learn more at the BISG BISAC FAQ. Click here to view the different BISAC codes.

Block Paragraph - When paragraphs are not indented, and are separated by a space between the paragraphs, that's a block paragraph. The block paragraph method of paragraph separation is an alternative to the first line paragraph indent method. Block paragraphs are usually used in non-fiction titles. To create the separation between the paragraphs, the best method is to define "after" spacing inside your paragraph style. See the Style Guide's section on managing paragraph styles.

Book page – A book page is a web page used by an ebook retailer to merchandize your book. The moment an author or publisher publishes a book at Smashwords, for example, Smashwords automatically generates a custom book page for the book. The book page showcases the book cover image, the book description, social media links, a shopping cart, and a table of multiple download options. Book pages also feature reader reviews. Each book page is cross-linked back to the author's author page, or the publisher's publisher page. A book page also provides links to other books by the same author.

Cloud - This is a fancy term, often used in the context of "in the cloud" or "cloud computing," which means simply a service on the Internet where you can store your files and books. For example, your Smashwords library of purchased books is stored "in the cloud," meaning it's somewhere on the Internet, always accessible to you through Smashwords.com from anywhere you have Internet access. Some cloud services, such as Smashwords, give you the option to both store your files in the cloud and download them to your computer at any time.

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http://en.wikipedia.org/wiki/Copyright and a discussion specific to authors' rights here: http://en.wikipedia.org/wiki/Authors'_rights

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Appendix II

Beta Readers for *The Secrets to Ebook Publishing Success*

A beta reader is a reader who reads your book prior to publication and provides important feedback. A beta reader helps the author understand if the book successfully meets the needs of the target audience. For this book, my target readers are writers, authors, publishers and literary agents. Below is a list of authors and publishers who served as beta readers for this book. I am grateful for their contribution.

Sarah R. Yoffa - http://smashwords.com/profile/view/webbiegrrl

Catherine Jaime - http://smashwords.com/profile/view/CatherineJaime

Linda A. Lavid – http://smashwords.com/profile/view/LALavid

Rose Gordon – http://smashwords.com/profile/view/rosegordon

Ruth Ann Nordin – http://smashwords.com/profile/view/ruthannnordin

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Robert Willgren – http://smashwords.com/profile/view/Knightz

Tony Bertot – http://smashwords.com/profile/view/TBertot432

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Corina Koch MacLeod - http://smashwords.com/profile/view/

CorinaKochMacLeod

Eric Marcelo - http://www.smashwords.com/profile/view/dejmarcelo

Richard Lutes - http://www.smashwords.com/profile/view/rnlutes

Appendix III

Credits

This book would not have been possible without the generous contribution of many people.

Thanks to my wife, Lesleyann, for putting up with me writing this book during every vacation and spare weekend.

Thanks to Smashwords authors, publishers, literary agents, customers and retailers for your trust, partnership and inspiration.

Thanks to my beta readers for your honest feedback. You made this book better.

Thanks to Joleene Naylor for her cover design.

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